

THE  
ROUND TABLE  
*A Quarterly Review of*  
BRITISH  
COMMONWEALTH  
AFFAIRS

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*Contents of Number 184*

**A CHALLENGE TO LAW**

**COMRADE OZYMANDIAS**

**PAINTING THE UNIONS RED**

**STAFF FOR THE COLD WAR**

**INDIA AND HER NEIGHBOURS**

**THE EISENHOWER ERA**

**NEW STATES OF AUSTRALIA?**

**And Articles from Correspondents in**

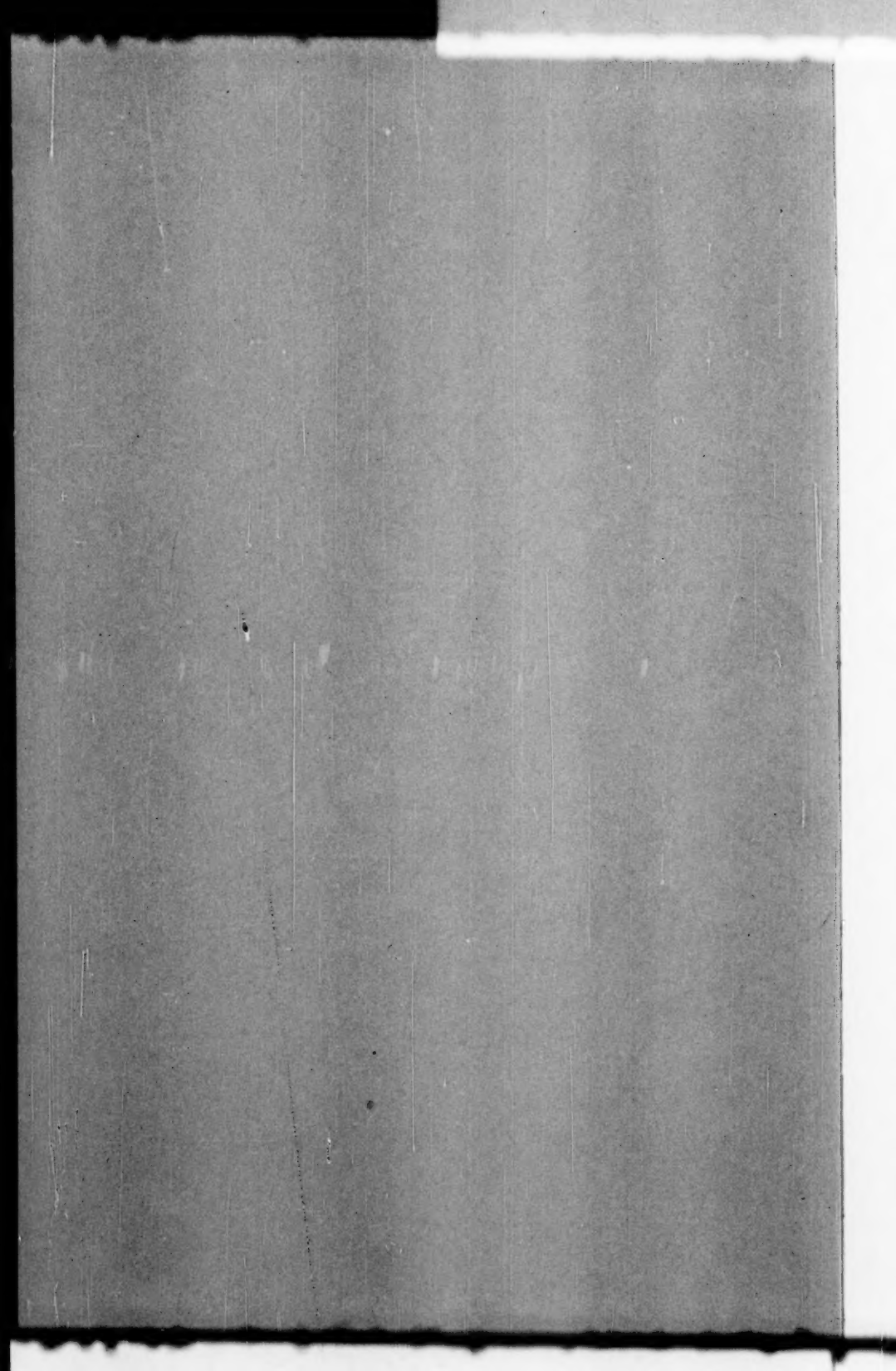
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# THE ROUND TABLE

A QUARTERLY REVIEW OF  
BRITISH COMMONWEALTH AFFAIRS

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## A CHALLENGE TO LAW

### COLONEL NASSER AND THE SUEZ CANAL

THE Egyptian seizure of the Suez Canal may come to be remembered as the opening of the thermo-nuclear age, the kind of political phenomenon that may be expected now that each of the rival groups of East and West is armed with weapons that can make the world uninhabitable. Optimists have begun to argue that this unprecedented accumulation of armament is in itself the best guarantee against the outbreak of another world war. They may well be right. But the corollary is this: that aggressive minor Powers are encouraged to take the risk of provoking a local war, relying on the dread of the great Powers of becoming involved in a general war. The only conclusive remedy is that which was envisaged at San Francisco and never achieved, the unanimous determination of the great Powers to co-operate in suppressing minor disturbers of the peace. With no prospect of the emergence of any such unanimity, that recurrent nuisance, the chauvinistic demagogue in a small country, may cause greater international embarrassment today than ever in past centuries; but somehow, even in a divided world, means have to be devised of containing him within the framework of peaceful intercourse and the rule of law.

Colonel Nasser's arbitrary action is of course more conspicuously a breach of the comity of nations than of international law. But for the Powers now contemplating measures of constraint upon him—which need not necessarily be military—it is important to insist that the law is against him, even if the illegality does not exhaust the content of his offence. It is no doubt an old-fashioned morality (though the doctrine that all taxation requires consent is founded upon it) that doubts whether the right of a State to take possession of its subjects' property is self-evident; at any rate, all modern States have put it out of their power to dispute that it is permissible in law. It is further acknowledged that the legal power of compulsory acquisition extends to property situated within a State's territory which belongs to foreigners; but in this case the exercise of the power is limited by the customary restraints of international law. A standard textbook thus defines some of the considerations that have to be observed:

Expropriation for reasons of public utility, judicial liquidation and similar measures are not among those "which generally accepted international law does not sanction in respect of foreigners". Such acts are fully in accordance with the rule of law, and, if carried out with proper legal safeguards and with provision for appropriate compensation, are rather a confirmation than an abrogation of the principle of respect for vested rights. Matters are different in cases of summary expropriation without previous investigation of individual cases, of absence of redress by legal action to interested parties, or of non-conformity with the essentials of an expropriation procedure in force. If an expropriation is contrary to these minimum standards, its illegality is not affected even by the payment of adequate compensation.\*

\* Schwarzenberger, *International Law*, 2nd edn., vol. i, p. 102.

The technical plea that what is being nationalized is not foreign property but that of an Egyptian company will not avail Colonel Nasser. In his first proclamation of the seizure he announced that his Government had taken over all the assets and liabilities of the company. The principal liabilities are of course to the shareholders, who are predominantly British and French; and the real act of nationalization is the expropriation of these. Accordingly the conventions of international law apply: the act is permissible only if performed with legal safeguards and with the payment of adequate compensation.

Now it would be difficult to frame any definition of "legal safeguards" that would apply to the case of an arbitrary seizure of a vast property, charged with vital international obligations for the future discharge of which no security is given, a seizure carried out without an hour's notice or any prior negotiation, and accompanied with threats to such of the company's servants as do not instantly transfer their allegiance to the new régime. According to the eminent authority just quoted, therefore, the act would be illegal, even if adequate compensation were given.

But the offer of compensation itself raises the gravest doubts. Superficially, it appears equitable: the shareholders are to be bought out at the price quoted on the Parisian Bourse immediately before the announcement of nationalization. The doubts arise when this offer is collated with Colonel Nasser's simultaneous declaration, that the revenue of the nationalized Canal will be used to finance the building of the Aswan High Dam, in substitution for the proposed American and British loan, the offer of which has been withdrawn. Calculations have been published which show that the disposable profits are quite insufficient, consistently with proper maintenance of the Canal, for any such purpose. The arithmetic was scarcely necessary. What the builders of the dam require is a huge capital investment. They have failed to obtain it from the United States and Great Britain, mainly because Colonel Nasser has undermined his own credit abroad by buying arms from Communist countries, for suspect purposes and in quantities his country cannot afford. Accordingly, he turns for fresh capital to the Suez Canal. But he who buys property at its full value neither increases nor diminishes his capital resources. If, therefore, Colonel Nasser really means the Canal to supply the deficiency of capital for the Dam, one of two inferences about his intentions is inevitable. Either he will be unable to carry out his offer of compensation to the shareholders—and it should be observed that the compensation regarded by international law as adequate must be not merely promised but paid, and in acceptable currency. Or he expects the Canal in his hands to be worth more than it was in the hands of the company. To enhance the money value of the Canal to its new owners, either he must neglect its maintenance and the enlargement that the world's oil traffic will soon urgently require, or he must raise the charges for its use, in other words blackmail the maritime nations for the support of a domestic Egyptian enterprise, the Aswan Dam.

It is idle for Colonel Nasser to declare that he intends none of these things, that in stepping into the shoes of the company he will discharge all its international obligations and give effect to all the treaties affecting the Canal, and

that, when the Powers denounce his recent action as if he had already defaulted on those obligations, he is the offended party. The logic of the situation shows that he is bound to default on one or another. He has placed himself in a position where he can gravely damage international interests, and in seizing that position he has violated principles of international law. That is an action that the international community is compelled to resist.

Moreover, even if Colonel Nasser's professed intentions were not so mutually incompatible as to set up a presumption that further damage will be done, his action would still be intolerable to the users of the Canal. It is a mere technical quibble to treat the Suez Canal Company as a domestic concern of the country in which it is registered. Like the International Red Cross Committee, which consists entirely of Swiss citizens, it was formed under the laws of one country, but for the service of humanity at large; and its purpose dictates the manner of its treatment. The maritime Powers, whose livelihood is involved in the conduct of the company's work, cannot stand neutrally aside when a dictator's government removes a well-tryed administration and professes to offer equivalent service. For eighty years the company has been no mere profit-making corporation; it has been proved by experience and accepted as a faithful trustee of the general interest. The plain fact is that as a trustee Colonel Nasser does not command international confidence. If there were no other reason, he has forfeited all faith in his guarantee of the treaties by his flagrant violation, in the case of Israeli shipping, of the provision in the treaty of 1888 that there shall be no discrimination against the ships of any nationality, and that the Canal, even in time of war, shall never be subject to blockade. He has further dishonoured his own pledge, given as recently as last June, to respect the concession under which the company is entitled to work until 1968.

In this connexion also, the underlying general considerations reinforce the distrust arising from specific instances of broken faith. Colonel Nasser's revolutionary administration is founded upon two principles, both proclaimed with hysterical passion: Egyptian nationalism, and hostility to the colonial Powers. The first makes it intolerable that he should be left in sole control of a waterway that exists to serve the international community; the second makes that control peculiarly unacceptable to the principal users of the Canal, whose main line of communication he would be in a position to cut. His violent oratory, even in the earlier part of the speech that ended with the announcement of the seizure, shows that the act is intended as a gesture of defiance to Europe, inviting imitation; and as such it has been widely interpreted, in the Middle East, in farther Asia and elsewhere in Africa. The repudiation of the Indonesian debt to the Netherlands may be an early example of the spirit of emulation; there will be many more if aggression is seen to prosper.

This article must be printed before the international conference in London has reached any decision. Though the leaders of the Labour Party in both Houses have given general support to the Government, a minority have objected to Sir Anthony Eden's invitation to the interested Powers on the ground that the matter should have been referred to the United Nations.

There are several obvious answers to this argument. First, unless Colonel Nasser's assumption of sympathy from the Soviet Union is illusory, as it does not seem to be, the rule of unanimity in the Security Council would paralyse in advance any effective action that the United Nations might be asked to take. Secondly, there is already a United Nations resolution standing against Egypt since 1951 in the matter of the Israeli shipping, which has entirely failed to bring that illegality to an end. Thirdly, it is explicitly contemplated in the Charter that a group of Powers having a common interest may initiate joint action within its terms—and there is as yet no suggestion of an intention to exceed them. Any settlement of the dispute that may be reached as a result of the conference may still be placed under the guarantee of the United Nations; indeed it is highly desirable that it should be. But the immediate need is for a vigorous initiative from as many Powers as are willing to act together. This is unlikely to mean all the Powers attending the conference.

Nevertheless, at the time of writing, the proceedings have opened with no immediate sign of mutual ill will, and deadlock must certainly not be taken for granted before it occurs. The abstention of Colonel Nasser was to be expected; but the attendance of Mr. Shepilov, under whatever protests against the membership and *locale* of the conference, is to be welcomed both for its own sake and as giving the absent party to the dispute an informal advocate. The attitude of the Soviet Union, which is crucial, will have become clear before these pages are read. The intention may be to merge the Canal dispute into the general context of the cold war; and in that event there will be nothing for the Western Powers but to close their ranks for one more bitter campaign in the series that began with the blockade of Berlin. But there is also a great opportunity to prove the reality of Russia's desire for peaceful coexistence and a general relaxation of tension. No Power is better placed than the Soviet to exercise a moderating influence on a potential client State and induce Colonel Nasser to conform to a reasonable settlement; and if Mr. Shepilov shows any disposition to take this line he should certainly be met half-way.

As to what is a reasonable settlement, the plan put forward by Mr. Dulles on the opening day of the conference needs much definition in detail, but contains all the essential principles. The transfer of ownership to the Egyptian Government is by implication accepted; on the other hand, the terms of the transfer, unilaterally and arbitrarily imposed by one party to a contractual relationship created by treaty, bear no legal validity and must be set aside: in a vacuum of international law the Powers can do no less than assume the right to substitute terms of their own. Such terms must do full justice to the shareholders; but they must also do justice to Egypt, and after the financial accounts have been worked out it may well be found just to fix the rates of compensation in such a way that, having found the necessary capital for that purpose, Egypt shall receive a net increase of revenue from the service of the Canal.

The major international interest, however, is not in the ownership but in the operation of the Canal; and here it is necessary to be absolutely firm. The

inland waterway has to be placed as nearly as possible in the juridical position of the high seas: its use must be permanently secured to the shipping of all nations. For this purpose there has to be certainty that it will be properly maintained and, if need be, enlarged and adapted to the advancing needs of the world's shipping; and further, that the charges for transit shall be regulated by equity and not by arbitrary will. To meet these requirements, which are vital to the livelihood of nations all round the globe, the mere undertaking of the government of the riparian State can never be enough. It is indispensable that the operation of the Canal shall henceforth be controlled by an international authority, established by treaty and given all the moral weight that the United Nations can contribute. Egypt is entitled to a place, and indeed an exceptional place, on the international board; there must, however, be no domination by any State or group.

Despite the initial violence of Colonel Nasser's language, it must not be assumed in advance that a plan worked out on these principles, and emerging from the conference with the backing of at least the principal maritime Powers, will be rejected by Egypt. Persuasion must be allowed its full opportunity; but if it fails the plan cannot be abandoned. All forms of peaceful pressure have next to be applied; they began, quite properly, before the conference could be summoned with the freezing of Egyptian assets abroad. If necessary, more drastic economic constraints will have to be invoked. Behind all else there is physical force, which is mobilized and in the last resort can be used. Its mobilization, however, does not justify wild talk about another bombardment of Alexandria or a forcible reoccupation of the Canal Zone. It is simply a recognition of the observed fact that an aggressor, if not quickly brought under control, always tends to proceed to further aggression. The purpose of military strength, now as always, is primarily to prevent wars and only when that is no longer possible to win them.

*Postscript:* Since this article was written the London Conference has been held. Mr. Shepilov belied any hopes that had been set on his will or capacity for moderation. India, supported by Ceylon and Indonesia, worked hard to persuade the Conference that the shadow of consultation was indistinguishable from the substance of control. But after a week of debate in the Conference and of diplomacy behind the scenes, 18 of the 22 nations, representing over 90 per cent of the tonnage using the Canal, were aligned in favour of the Dulles plan for effective international control and operation. A committee of five, drawn from Australia, the United States, Persia, Ethiopia and Sweden, with Mr. Menzies as its Chairman, was invited to present and explain the plan to Colonel Nasser. These words are being written on the eve of the Committee's departure for Cairo. It is useless to speculate as to the outcome of their mission, which coincides with the arrest and prosecution of three British subjects as spies and with increasing tension between the new Canal authority and its foreign pilots. But every reader of THE ROUND TABLE will know there could be no more powerful advocate of the advantages of the plan to Egypt and no negotiator with a keener sense of reality than the Australian Prime Minister.



# COMRADE OZYMANDIAS

## THE ANATHEMA ON STALIN

*Half sunk, a shattered visage lies, whose frown  
And wrinkled lip, and sneer of cold command. . .*

NOW that the text of the speech denouncing Stalin made by Khrushchev at the Twentieth Congress of the Communist Party has become available it is possible to make a preliminary evaluation of its impact. The lack of logical sequence and the numerous contradictions in the text, many of which are of a semi-intellectual character though others follow from deliberate policy, can only be tackled piecemeal by the specialist. For the purpose of the present article it will suffice to comment upon a few of the more obvious.

Consideration of the speech must be based on four points:

- (a) The timing and the text, which are interlinked.
- (b) The audiences for which it was intended.
- (c) The results so far achieved.
- (d) The possible future results.

Some surprise has been expressed at the timing of the disclosures, in that they might well have been made earlier. However, it may well be that the time and place were forced on the Soviet leaders by the pressure of events rather than chosen by them.

After the death of Stalin and the liquidation of Beria, the problem then arose of finding an adequate substitute for the fallen giant. Historically it is unusual for strong men in Russia to have left among their henchmen suitable candidates for taking over their work; such threats to sovereignty are usually removed at an early stage, as was the case with the really brilliant Bukharin (1938) and Voznesensky (1949). The only solution was "Collective Leadership", with all its implications, until such time as a strong man once again should take over the reins of power.

The decision having been taken, the next step was to obtain the confidence of their supporters. At first it was assumed that a moderate scaling-down of the Stalin myth would be sufficient to swing all those who had revered him round to the new group. But this did not prove nearly so easy as had been anticipated. In twenty-five years Stalin had not only become a myth, he had become a vital part of the framework propping up the Communist façade. Popular songs went so far as to say:

Stalin is everything—without him there is nothing:

Stalin made the grain grow, the crops ripen, the harvest to be a success, &c., &c.

But then, suddenly, Stalin was no more. What was to happen to the country? No more grain? No more crops? &c. For so many years had events been geared up to the idea of Stalin that distress at his loss was general and fear of the future was openly expressed.

The only logical solution appeared to be to tell the people that Stalin had

not been so important as all that, and that therefore nothing serious was likely to happen, provided that order and discipline were maintained and support given to the right quarters. What was more, it was essential for the well-being of the new "Collective Leadership" that Stalin should be debunked, if only because the new chiefs feared comparison. If, as soon became obvious, the Soviet public were not willing to transfer blind allegiance to the "collectivists", then a new Atlas would have to be set up in his place to support the Soviet heaven, while all sins of omission and commission would have to be laid at Stalin's door to give Khrushchev and company a clean slate with which to start operations. The successor to Stalin was to be Lenin, who died sufficiently long ago to be completely safe. The line of attack chosen was to show that Stalin had *not* been a brilliant individual, all the brilliance being that of the Party, so that now that he was dead nothing particular could happen. Nevertheless, a quarter of a century of indoctrination proved to be a hard nut to crack, particularly in view of the need to avoid any question of the present rulers' being shown up in a bad light.

Some of the more obvious contradictions of the speech may be explained by the desire to keep these, among many eventualities, in mind, and at the same time to avoid clashing with party doctrine. However, in the absence of expert advice, it rather seems as if Khrushchev, *Rus in Urbe*, did most of the drafting himself, trusting to the short memories of his audience. Some of his misrepresentations were so flagrant that it is difficult to imagine how he could hope that they would pass unnoticed.

For example, Stalin was accused of putting himself above the party and the masses, and this statement was backed up with an extract from Lenin's "Testament" stating that Stalin should be removed. This seems a pretty serious charge, but what are the facts? Apart from the omission of certain vital parts of the "Testament", the speaker seems to have forgotten that the whole question was discussed at length at the Party Congress of 1924, when the viewpoint of Lenin was not accepted and Stalin was confirmed in his post as General Secretary of the party. The decision to ignore this important fact raises a question of principle: which is the more important for the present "Collective Leadership": (a) Lenin above the Party Congress, i.e. the *masses* of the party; (b) the Party Congress above Lenin? If the first alternative is accepted, what is the legal difference between the cult of Lenin and the cult of Stalin and on what grounds is the latter now being attacked?

### The Cult of Personality

THE next point made is the fight against the cult of personality. From the speech it would appear that this struggle was initiated by Khrushchev and Bulganin. Nothing could be farther from the truth. The first blow appears to have been struck by Trotsky during the civil war, when he accused Stalin of being too harsh with young and inexperienced Red Army officers, of overestimating his rôle in the fighting, and of having tried to take over the functions of Commander-in-Chief.

Following this, in 1921, Stalin was accused by a number of delegates at the Tenth Congress of the Communist Party of using administrative methods



instead of discussing matters with Congress members. He was nicknamed the "Arch Democrat" by some of the delegates. Two months later Safarov, one of the leaders of the Nationality Policy, accused Stalin of being dictatorial towards the Ministry of Nationalities, of which *Stalin was the head*.

From 1922 there was a steady stream of revolt in the party against Stalin, all the leading intellectuals protesting against his Robespierism and warning members that if people like Stalin were to rule the party and the State, then of the ideals of the Revolution nothing would remain but empty words.

These desperate warnings having been neglected, there came the "New Opposition" of Kamenev and Zinoviev, who accused Stalin of "Bonapartist" intentions. In 1926 Zinoviev said that Stalin's "I" was becoming the policy of the party, a danger the full importance of which would only be realized much later on.

In 1928-9 there was a mass revolt of the party intellectuals, including Bucharin, Rykov, Tomsy and others of the "Right Wing Opposition" who accused Stalin of taking "extraordinary measures" against towns and villages, as instanced by the forced collectivism of farms and the physical liquidation of the Kulaks.

In 1930 Bucharin, Rykov and Tomsy declared that the policy of Stalin was becoming a reactionary counter-revolution, and that if it continued the U.S.S.R. would achieve not Socialism but something hitherto unknown to society, which would be neither Capitalism nor Socialism. They warned the party that the personality of Stalin had overwhelmed not only the party but the whole of the U.S.S.R. If the nation was to be healthy the shadow of Stalin must be eliminated. In 1936 Bucharin wrote to the party saying that if they did not stop this deification of Stalin the results for the U.S.S.R. would be catastrophic. And so did many others.

What were Khrushchev, Bulganin and the other self-styled opponents of the "cult of the individual" doing at the time? Were they joining in the protests? No, they considered these attacks as being acts of barbarism which had to be ruthlessly stamped out. In fact it was the pleasurable task of the *aides de camp* of the dictator—Khrushchev, Bulganin, Molotov, Voroshilov and company, the controllers of the mechanism of terror—to liquidate their political opponents under the orders of Stalin.

The cynical manner in which Khrushchev and his associates rehabilitated the brave opponents of Stalin, whom they themselves had liquidated, recalls the traditions of Chicago, where the largest wreath at the funeral of a murdered gangster had to be sent by the man who ordered his killing. This is particularly obvious when it is realized that by the logic of the accusations made against Stalin every statement made by the present "Collective Leadership" present in his lifetime must have been wrong, while every one made by the murdered intellectuals must have been right.

For example, Khrushchev accuses Stalin of being a despot and says that his personal dictatorship caused numerous mistakes and backslidings from Marxist-Leninist policy, and that the cost of these was very high. But if Stalin's policy was wrong, as of course it was, and led to mistakes, following neither Marx nor Lenin, this meant that *the whole policy of the Communist Party*

*in the Soviet Union had been in error for the last twenty-five years, and that by its leadership the policy of every Communist party outside Soviet Russia had also been wrong for the same period of time. That is the only logical conclusion.*

The argument that it was only Stalin in person who was in error while the doctrine of the party was right cannot hold good here, for in one place Khrushchev says that "Stalin dictated policy" while later he maintains that the "policy of the party" was right. This attempt to have it both ways shows lack of both logic and reason. If Stalin dictated party policy, the policy, for that reason, was wrong. If he did not do so the policy may have been right, but the accusation of dictatorship falls to the ground.

One feels that in this respect, if not in others, Khrushchev shows himself to be rather a typical *moujik*, a vulgar upstart, lacking both the training and the experience necessary for his post. Morally and tactically it is an error to attack the dead and feared leader of your own side so soon after his death: it gives rise to the justified opinion that it is only after his death, when he cannot hit back, that you dare to speak. The failure of the present critics to take any steps at all at the time Stalin was alive shows a healthy regard for their own skins, but ignores the fact that cowards do not make good critics.

Khrushchev's statement "We were afraid for our lives", &c. is understandable in the case of himself and his associates, but scarcely entitles them to rank with the Bolshevik intellectuals who died in the fight against the "cult of the individual". In fact it shows that by their very actions Khrushchev and his associates have lost the right to call themselves revolutionaries or idealists, and stand exposed as vulgar self-seekers.

For a quarter of a century Communist parties both in Russia and abroad have been venerating the portraits of these unheroic gentlemen. Why?

When Khrushchev stated that Stalin ordered him to dance, this was a purposeless admission. It happens to most of us to look foolish at one time or another in our lives, but few accentuate this by boasting about it afterwards. This episode shows that all the crowd are nothing but lackey-minded subordinates; there is not a leader among them of Stalin's calibre. Yes, Stalin was a despot, dictator, mass murderer, but he was a leader as well.

It is true that Stalin ordered the execution of hundreds of thousands of people. But it is impossible that he carried out the sentences in person. Khrushchev was in charge of the destruction of all opposition in Moscow from 1930 to 1939 and in the Ukraine from 1939 to 1952. If Stalin gave the orders, he put them into force. Now he washes the blood off his hands by blaming Stalin.

In the Nuremberg trials the Soviets were strongly critical of any attempts on the part of the accused to shift the blame on to Hitler. If we apply the Soviet's own standard to Khrushchev and his friends, it is to be feared that they do not come out of it very well.

### "Inside the Kremlin" ?

**I**N the Soviet Communist Party there are very few left alive who can remember the pre-Stalin period. The majority of the "Old Bolsheviks" were liquidated under the orders of Stalin and his colleagues, while those who

remain alive are not in a position to influence events. For this reason it was reasonable for the "Collective Leadership" to endeavour at one and the same time to depose Stalin from his position as a demi-god and to put Lenin up in his place.

For nearly forty years the party in the U.S.S.R. and the general bulk of the public have been eagerly awaiting the promised better times of the Communist paradise, but so far there has been very little to show for it except for the upper strata of the bureaucracy. The rumours that have reached the West of openly expressed dissatisfaction with the policy of the Kremlin have not all been baseless fabrications, but have rested on a solid foundation of fact; and it seems that the opportunity of the speech was being seized to thrust the blame for the difficulties on Stalin rather than on the "Collective Leadership".

The effect in higher party circles appears at first to have been one of satisfaction and relief at the easing of the tension, followed by a vague suspicion that the only change was the pulling down of the idol of Stalin and the substitution of one of Lenin, with the present leaders as a row of smaller idols standing modestly in the immediate foreground. The process of acceptance has to some extent been eased by the execution or removal of any prominent pro-Stalinists who would have been likely to object. How far this process has penetrated to the lower levels of party activity is not yet clear, for the general public in the West knew most of the speech long before the rank and file in the U.S.S.R. knew anything had happened.

One of the factors of uncertainty as far as Western opinion is concerned is whether the slavish adulation of Stalin was genuine or whether it was merely expedient. If Russian history is any guide most of it was sincere—even the worst Czars numbered their admirers in millions—and, therefore, the task of overthrowing it will be of considerable difficulty; the final results will not be known for several years. It would seem that on this occasion the Kremlin oligarchy at least may feel it advisable to appear to consult public opinion, although in the past their social structure has allowed them to manage without such formalities. A glance at the real structure of the Soviet Union will give the idea of why this should be so.

215 million Soviet citizens and others are ruled by  
7,215,505 members of the Communist Party of the U.S.S.R., of which  
50,000 are senior members, and  
2,500 very senior members, who are instructed by  
133 members of the Central Committee of the C.P.S.U., run by  
11 members of the Praesidium (the Politbureau), whose chiefs are  
2 people: Bulganin and Khrushchev.

The main personalities involved are:

*Members of the Praesidium*

- |                      |                       |
|----------------------|-----------------------|
| 1. N. S. Khrushchev  | 7. K. E. Voroshilov.  |
| 2. N. A. Bulganin.   | 8. M. A. Suslov.      |
| 3. G. M. Malenkov.   | 9. M. G. Pervukhin.   |
| 4. V. M. Molotov.    | 10. M. Z. Saburov.    |
| 5. A. J. Mikoyan.    | 11. A. I. Kirichenko. |
| 6. L. M. Kaganovich. |                       |

*Candidate members of the Praesidium*

- |                            |                                   |
|----------------------------|-----------------------------------|
| 1. G. K. Zhukov (Marshal). | 4. D. T. Shepilov.                |
| 2. L. I. Brezhnev.         | 5. E. A. Phurtzeva (or Furtzeva). |
| 3. N. A. Mukhitdinov.      | 6. N. M. Shvernik.                |

If one bears in mind that the class snobbery of the Soviet bureaucracy is probably more oppressive than any recorded in European history, it will be realized that it must be a fairly serious internal crisis that would bring the leaders to consider the half-starved working classes and peasants. Marie Antoinette, asking why the peasants did not eat cake, was no worse than Stalin seeing films showing the tables of peasant farmers groaning with food, and accepting this as truth at a time when millions were starving.

It would seem that as far as the Soviet Union itself is concerned the hope is that the speech will give the "Collective Leadership" a breathing space, during which the apparent failure of Khrushchev's agrarian policy may be allowed to slip into oblivion. While it is difficult to work up any great concern for the fate of Khrushchev and his associates if their gamble does not come off, there is always the frightening possibility that their successors may be even worse!

**Marshal Tito**

ONE favourable result of the speech has been the hooking of the big fish that escaped Stalin, Marshal Tito. Some sections of the world's press consider that Tito has been drawn into the Soviet net and that he will not be able to free himself again. This, however, is by no means certain. The Marshal is the only living Communist in Western Europe of even approximate stature to Stalin, and as such he is probably well able to cope with the blandishments of his recent hosts.

The reasons for the desire to come to terms with Tito are mainly geographical: the use of satisfactory ports on the Mediterranean, for Soviet trade and other purposes, and the possibility of putting still more pressure on Greece, if this should be needed. If the cost of this is the loss of certain ties in Western Europe, Moscow is willing to accept it, since the Balkans are of greater importance at the moment than Italy and France.

The satellites have had to accept the new readjustment with Tito, irrespective of what reshufflings it may involve in their own governments or how many former "traitors" may have to be reinstated. However, the question of Marshal Tito is not by any means the most important problem that Moscow has to face in the satellites, as will be seen below.

There is, however, a considerable element of danger for the West in the fallacious assumption that "Titoism" as a brand of Communism differs from the Kremlin variety. Nothing could be farther from the truth. The only difference lies in the personalities of the leaders, not in the doctrine. In fact the "cult of personality" is still going on at full strength under Tito, and to that extent anyway Titoism can be equated with Stalinism, and as a similar kind of danger. The fact that Tito has managed to do quite well out of his relations with the West is not a proof of his deviation from Marxist

principles, but rather of the obtuseness of certain Western leaders. Recent events in Yugoslavia have tended to show that Tito is not prepared to allow criticism of his régime, any more than did Stalin twenty years ago. The difference is that the stamping-out of opposition is relatively bloodless.

A recent press report from New York states that Tito told a senior official of a NATO country that Stalin was murdered, a possibility that has been present in the minds of observers for some time past. Assuming this report is correct, the point of the matter lies in the fact that Tito in making the suggestion has shown that, in certain aspects at least, the control of the Kremlin over him is merely relative.

### Satellites

WHILE the new Communist term "Polycentrism" came up quite a lot in the conversations with Marshal Tito, the indications are that it is not proposed to allow any form of decentralized autonomy to occur within the Iron Curtain, no matter what it may be expedient to allow outside of it.

The immediate results of the Khrushchev speech have been to show that there exists in all the enslaved States of Eastern Europe a fundamental desire to get rid of the Soviet incubus, with its mechanism of secret police, Red Army garrisons, Moscow-trained politicians and the slow draining of the life-blood of industry and agriculture to satisfy the economy of Soviet Russia.

*Czechoslovakia.* The first sign of the revival of hope for freedom came with a student revolt, constitutional according to Western standards, which started by asking for more academic freedom and ended by demanding the easing of the censorship, the rehearing of political trials, the admission of foreign newspapers, and more democracy in public life. In spite of efforts to crush the protests copies were circulated to all the universities in Czechoslovakia, and somebody even managed to get one through to Radio Free Europe, thanks to which everybody in the country soon knew about it.

Matters even got so far that Novotny, the Secretary of the Czech Communist Party, had to admit that 235 party organizations speaking for 15,000 people had asked for an Extraordinary Congress of the party to be called. As could have been expected this request was refused, as was one for the complete rehabilitation of Slansky, who, it now appears, was not guilty of the crimes with which he was charged but deserved to die for others of which he had not then been accused. However, to placate public opinion Vaclav Ales, the judge at the Slansky trial, was purged, together with a couple of cabinet ministers. To what extent this will quench the fires of indignation is not yet clear.

*Poland.* While the Poznan riots cannot be said to have arisen directly from the attack on Stalin, they were certainly due to the cause underlying it: semi-starvation of the industrial workers, brought about in the main not by deliberate intent but by bureaucratic inefficiency at every stage from the factory floor to the ministerial office. Whether the timing of the strike to coincide with the Poznan Fair was deliberate or not is uncertain: the stage



for the occasion was set three weeks or so before the Fair by the cutting of wages, already near starvation level, by 30 per cent. Fortunately the expeditious manner in which the Communists deal with the menace of strikes failed to meet with the approval of any but the most complacent fellow-travellers. Subsequent reports indicate a slight relaxation of controls and a restoration of the wage cuts.

Recent statements on the subject by Edward Ochab, Secretary of the Polish Communist Party, show that even they have been shaken out of their customary complacency by the turn of events. It is of interest to note that the reason for the bureaucratic inefficiency is that practically everybody trained in the West has been eliminated in favour of those trained in Soviet Russia.

*Hungary.* The purging of Matyas Rakosi, the Secretary of the Hungarian Communist Party, and his replacement by Erno Geroe, means the removal of a powerful Stalinist in favour of a supporter of the "Collective Leadership". Any assumption that it is likely to lead to an immediate liberalization of conditions may be offset by the fact that the new leader is Soviet-trained.

*Bulgaria.* Chervenkov, the Head of the Government, has been replaced by Anton Jugoff. This appears to have been done partly to placate Tito, against whom the late leader waged an unceasing fight on the orders of Moscow, and also to remove another Stalin supporter from the ring. His successor cannot, however, be regarded as representing any milder form of administration, for his past record is one of systematically organized mass murders, to such an extent that one of his former ministerial colleagues, Nikola Petkoff, at the time leader of the parliamentary Opposition, said: "You are a murderer, Mr. Jugoff! Your hands are stained with blood!"

*Roumania and Albania.* Events move somewhat slowly and no important change had occurred up to the time of writing. Developments are to be expected in the near future.

*East Germany.* Herr Grottwald, accompanied by numerous Deputy Prime Ministers, has just completed a visit to Moscow. Structural changes within the régime will presumably follow. Only the most optimistic could forecast any marked improvement in the relations between the two Germanies.

### The West

IT has long been maintained by competent observers that the real reason for the breach between the Communists and the West European Socialists was the assumption in Moscow that the Socialist leaders were lacking in the personal courage, administrative ability, and political wisdom necessary to secure victory. Whether the assumption was correct is a matter on which opinions may differ; what is now reasonably certain is that the present leaders of the Kremlin oligarchy are not in a position to criticize anybody else on these grounds. The disclosures in the speech have shown moderate left-wing opinion in Europe that it is in precisely these qualities that Khrushchev and Bulganin and their friends are lacking.

The effects on the Communist parties of the West have not been fully

satisfactory from the angle of Moscow. The reason is that the harty leaders in the West have used the cult of personality to enhance their own reputations, and with its disappearance there is always the risk that they also may sink into oblivion.

*Italy.* The Italian Communist Party, allied as it is with the left-wing Socialists of Nenni, has for long been the strongest pro-Soviet force outside the Iron Curtain. For that reason the reactions in Italy are of great importance to the future of Communism in the West. The first reaction was that of Togliatti, in a series of answers to the correspondent of a Rome journal. He observed that the internal political structure of the world Communist movement had changed and that there emerged from this the necessity and desire for increased autonomy. He also said that leading sections of Soviet society had become personally incapable and insensitive as a result of the Stalin cult. These errors would have to be corrected by re-education and a new course of life in the U.S.S.R.

The reaction from Nenni was much stronger. He called the speech the "most grave and most dramatic document in the literature of world Communism" and demanded a "true Marxist analysis" of the whole matter. He also made what seems to be a valid point: "The attack on the cult of personality lacks sense, since there is no historical reconstruction of the moment when all power was transferred to Stalin." This statement makes it clear that Nenni has carefully abstained from following the course of Soviet policy for the last twenty years or so, for if he had he also would have seen the obvious.

Retracing the origins of the Stalin dictatorship, he quoted Khrushchev as saying: "Stalin's dictatorship over the party became evident during the seventeenth Party Congress in 1934." Nenni's answer was a hard correction of history: "It was Khrushchev who moved the final resolution of the congress (1) to approve unreservedly the political line and practical work of the central committee; (2) to approve Stalin's report." Nenni added: "The responsibility for what followed after the seventeenth congress is not Stalin's alone but that of the whole 'Collective Leadership' of the Party. Stalin's terror cannot justify the fact that all the others sacrificed every vestige of democracy within the Party."

The reaction of both Togliatti and Nenni shows that the almost indecent haste with which the speech was prepared gave no time for the European leaders to be adequately briefed as to the shift in the party line, with the result that some of them had earlier made statements which they will now have great difficulty in retracting. The recent losses in the local elections showed that some form of radical reconstruction might yet be necessary. This took place practically immediately. Togliatti having sent a delegation to Moscow to ask for instructions was himself purged and replaced by Pajetta, one of his subordinates.

It will be interesting to see whether Togliatti will assert his independence and go into a straightforward alliance with Nenni, and if they will be strong enough to detach the Italian Communist and left-wing Socialist parties from Moscow.



*France.* The French Communist Party under Thorez and Duclos has always enjoyed a large measure of independence, possibly due to the personality cult attaching to these two leaders. Since last February they have been endeavouring to find a satisfactory method of following the new line without damaging their own positions. The sudden release of the larger part of the speech to the press of the West not only caught them unprepared but also inspired justified complaints that the *bourgeoisie* were better informed of what went on in Moscow than the members of the party. So far they have not done more than emit some mild criticisms of Stalin; it is possible that any upheaval may take place only at the end of the summer.

For the moment, at any rate, the mildness of the criticisms appears to have saved Thorez, who has been received with some enthusiasm during a visit to Moscow.

*Britain.* The Communist Party as such has never played any great part in English politics, that being reserved for the fellow-travellers and the organizations they control. In consequence the purging of Mr. Pollitt, for many years the Secretary, created only a minor ripple. Not a single word seems to have been published in any of the party organs about the missing portion of the speech, in which Khrushchev accused Stalin of personally ordering the starting of the Korean War. Presumably it was felt that the moment was unsuitable.

From the remainder of the press the speech received ample publicity, the *Observer* going so far as to publish the entire released text in one issue. Nobody seems to have been surprised at the revelations; the only feeling was one of wonder that anybody had ever believed otherwise.

*United States.* Here the reaction in the party was prompt. Eugene Dennis even went so far as to ask whether the leaders of today had tried to bring about changes before the death of Stalin. At the same time he observed that nothing could justify "tortures, rigged trials, mass deportations, provocations, the persecution of Jewish doctors etc." Howard Fast, the winner of the Stalin Peace Prize in 1953, referred to the speech as a record of barbarism and paranoid blood-lust that would be a lasting and shameful memory.

I, for one, looked hopefully but vainly at the end of the document for a pledge that the last execution had taken place on Soviet soil. I looked for a pledge of civil rights, for the sacred right of *habeas corpus*, of public appeal to higher courts, of final judgment by one's peers rather than by professional judges. . . . Instead I learned that three more executions had been announced from the Soviet Union, and my stomach turned over with the blood-letting, with the madness of vengeance and counter-vengeance, of suspicion and counter-suspicion. I don't think I am alone in this feeling. I think millions of human beings share my disgust at this idiotic behaviour—wicked, uncivilized, but above all, idiotic.

He concluded by saying: "Never again can I accept as a just practice that which I know to be unjust." A translation of the remarks of Dennis appeared later in *Pravda*; so far those of Fast do not appear to have been published.

As far as the general public is concerned the impact has been obscured by

the presidential election; and, unless the speech should be used as propaganda material by either of the political parties, it is likely to be largely overlooked.

### Conclusion

NO matter what Khrushchev may say about Stalin, he was a great man, a tyrant in the tradition of Ivan the Terrible and Peter the Great, having few, if any, likable characteristics, but standing head and shoulders above the rest. What Soviet Russia is today is largely his work. The fact that the basic structure is one of evil and terror does not make it any the less impressive or less dangerous to the rest of the world.

The denunciation is the vicious attack of a small man on a big one who is no longer in a position to respond. It does not imply any fundamental change whatsoever in the system of running Soviet Russia; the abolition of the cult of personality is declared simply because there is nobody big enough at the moment to have a cult built up around him, and also because the absence of mutual trust between all concerned means that nobody is willing to help push another up on to a pedestal.

Obviously there will be some slackening of restrictions on party members, a slight easing of passport facilities for foreigners, and purchases of consumer goods *plus* machinery for making them, also for the use of party members. But the single-party system continues; even within the party itself there is now no opposition wing, all its members having been liquidated years ago. In fact the only real change is the endeavour to put Lenin on the pedestal recently occupied by Stalin.

The speech constitutes a major error of strategy; its effects within the party both at home and abroad may eventually be serious. For Khrushchev himself it would seem to have disposed of any chance he might have had to become the successor of Stalin and even to constitute a somewhat long-drawn-out political suicide for him. It is doubtful whether there are any potential leaders left in his generation; the future dictator of Soviet Russia is doubtless now a youngish man, in his middle thirties, already planning how to dispose of the second-raters now at the top of the tree and to make sure that he is the winner in the race. Unless something most unusual occurs he should make his entry on the main stage within the next five years.

Finally it should be mentioned that the complete text of the "Lenin Testament" has now been released. The missing portions seem to have been concerned with Trotsky, called "the most able man in the present Central Committee" although criticizing his far-reaching confidence. Lenin also praised Bukharin, who was liquidated a few years later, as being "the most valuable and greatest Party theoretician".

# PAINTING THE UNIONS RED

## A STUDY OF COMMUNIST TACTICS

THERE are many who have been tempted by the denunciation of Stalin and his politics to believe that the Soviet Communist Party has therefore changed in its policy and attitude towards the West. The following pages are founded upon prolonged experience in the Communist Party, and on twenty years of Marxist-Leninist study, which have led to the conclusion that the new Communist technique, which on the surface and in the existing atmosphere appears to present a change of Soviet policy, in reality amounts to no more than a change in tactics and strategy. The Communist way of discussing world events, if complacently allowed or misunderstood, will assist Communists in their new drive for infiltration into every form of democratic organization. Beyond any shadow of doubt the long-cherished dream of every Communist that the Hammer and Sickle will fly over every capital throughout the world, stands today as his foremost objective as much as ever in the past. The denunciation of his yesterday's god, Stalin, will, he is told, open up greater opportunities with wider access for infiltration.

Just how did the British Communists react to this bolt from the blue, the overnight attack made against their former revolutionary leader and teacher? What effect has this remarkable present-day somersault in Soviet policy had on their mind, beliefs and plans? How did Jock the Communist shipbuilding yard steward on the Clyde view the situation, or his comrade Bill Jones the London bus driver, or Taffy Evans the miners' lodge secretary, or Ted Dickens the Cockney docks union officer, or that white-collar frustrated middle-class party-literature secretary who every Sunday morning goes on the knocker from door to door selling Communist literature, or if not selling it giving it away and paying for it himself as a good Communist is expected to do, never forgetting to slip a word or two in about Uncle Joe Stalin, which was as important to him as a propagandist as selling his pamphlets on Communist policy for the housing shortage?

What of the Marxist lecturer who pumped Stalinism into every party member's mind until he was compelled to believe that Stalin could never be wrong because he was the faithful guardian of that Revolution which every Communist dreams of? Well, it is not the first time that every Communist except the Russians has had to eat his own words, nor will it be the last. The danger here lies in the fact that the next twist will be a more revolutionary class one, with the possibility of a more powerful Communist Party developed out of that which now exists. Nor is Stalin the first idol to be thrown overboard. Marshal Tito was a real party idol if ever there was one, with his portrait hanging beside Stalin's in every Communist home. Overnight this demigod idol Tito became the reactionary enemy, and the portraits were torn down.

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Communists on the whole, whether professional workers, artisans, dock



labourers or trade-union officials, all think with the same one-track mind. This trained mind of iron discipline does not itself function to the degree of questioning or challenging the party's changing policies. The whole basis of a Communist's training and understanding is in complete and absolute acceptance of those decisions arrived at and agreed for him by the small group of so-called Marxist theoreticians, the party's intellectual hierarchy. His mind tells him that all decisions arrived at are in his interest. From the moment he toes the party line every Communist knows what he is up to; and while others sleep he is with his comrades from all sections of organized life, meeting to receive instruction on how in the best Communist manner he can apply the new Communist tactics and strategy to serve the interest of the Communist Party.

Too often and readily has the ordinary worker lent his ear to Communist propaganda. So often has he been exploited in the game of Communist tactics in support and furtherance of Communist disruption. The lesson has been hard, both in loss of wages to the workers and in economy and trade to the country. Has the lesson really and truly gone home? If the widespread apathy prevalent in the rank and file of the trade union movement is the criterion, then the answer is a positive "no". It is here that the Communists are strongest and can be most destructive. It is in the trade unions that they will do everything in the form of new technique to press home any advantage that the new Soviet policy will give them. It is here that they hope to build the party membership, strengthen their control, extend their influence and spread as widely as possible to the workers' minds their new line of propaganda. Any substantial development of Communist control of our trade unions presents the greatest danger to this country, and could well prove fatal should they decide again to switch their present policy of brotherly neighbours to the West to a policy of class war.

### A Powerful Union

**A**T this very moment they have been and are challenging the 800,000-strong Engineering Union for control of its two supreme offices, the positions of president and general secretary. This powerful union is linked with Britain's vital exporting industries in cars, aircraft and machine goods. Already the Communists control the shop stewards' movement, the body which has become the unofficial union within the union. Time and time again the unofficial shop stewards' National Council, through its contacts with fellow Communists holding top-level union positions, has been able to "jump the gun", pull the workers out on strike, then obtain official blessing for an action which in the eyes of all orthodox trade unionists is entirely irresponsible, to say the least, and most harmful to the interests of the workers involved.

The two Communist candidates who set out to capture this critically powerful union were Mr. Reg. Birch and Mr. Joe Scott. Mr. Birch, standing for the position of president, is a rabidly aggressive Communist, who can always be trusted to toe the party line. He is in charge of Communist aircraft workers, and is now a district union secretary who became notorious in the

newspaper strike. He is the one who gives the orders and will accept only obedience. At De Havilland's aircraft works, his original place of work, he organized and led many strikes. He was responsible for building Communist factory committees in the aircraft industry. The committee resembles a police organization: it keeps in its dossiers a file of everyone's personal record, the management included. This body acts as a disciplinary committee to hand out party discipline and punishment to those comrades who fail to toe the party line.

The other Communist candidate is Mr. Joe Scott. For many years he has served on the union's executive as a full-time paid official. In contrast to the aggressive Mr. Birch he is suave, polished, and a skilled negotiator. With his hair well greased back, his blue serge suit and trilby hat, he dons the business man's appearance. He is a most trustworthy party member. With Mr. Joe Scott goes the Communist new-look propaganda: he fits the situation admirably. In the past election it was Mr. Birch who was put up for the general secretary's job, but under the cloak of respectability it was obvious that Scott would be the choice this time, not Birch, for the union's highest office. His record of activities shows him an accomplished player of the party game. When the engineers were on an unofficial strike brought about by his shop-steward comrades, it was Mr. Scott who generally got the job of meeting the unofficial strikers. He had mastered the party technique as a fine art. They could always depend on Joe Scott, whilst not being able to support their strike officially (mere words of course), to fight their case when reporting back. Mr. Scott does not say the strikers were wrong. There were always too many of his comrades listening.

These then are the candidates representing the Communist Party. "Will they succeed?" is the vital question.

This union with its record of one-in-ten voting makes it much easier for them. Communists have won more trade-union elections on apathy than by votes. They want it this way and will do everything possible to keep it so. They will be the first to arouse the members against any action of the employer or of the union executive (provided it is not a Communist executive), and the last to arouse the same members to their trade-union responsibilities in voting for branch or union officers generally.

It is inevitable that only a real conscious awakening of the 800,000 engineers to their trade-union responsibilities in this aspect of union life can avert the disastrous climax of the Communist Party's capturing complete control of this mighty union, if not today, then as sure as night follows day tomorrow. Mr. Reg Birch, it has been announced, was defeated in the final ballot for the presidency. Let there be no illusions: the Communists are already busy holding an inquest to ensure that they win next time. If those who do not want their union under Communist control work as energetically the Communists will not win next time or any time.

In certain craft unions branch attendances and voting become almost compulsory, or heavy fines are imposed. The Communists hold little or no influence, let alone control, in unions of this type. Can this be applied to all unions? Words and appeals do not appear to have made the best impression



or aroused the rank and file to voting consciousness, and with the new spate of Communist goodwill propaganda the rank-and-file apathy to Communism in such elections is likely to increase. Once the Communists resolve what little ethical difference they hold with their Soviet comrades they will turn on their new propaganda line full blast. One of the main purposes of Communist policy changes, twists and overnight somersaults is to disorganize and disarm the non-Communists. This they think creates the necessary apathy and complacency to enable them to get on top. Once they get control of a trade union then it becomes a thousand times more difficult to do anything about it, because it must be fully understood and realized that a union under Communist control ceases to be a union in the democratic sense: it becomes a part of the Communist Party. Its rules become the immediate subject for Communist head-office discussion, and in no time they are changed. The process enables their leaders to become entrenched, and the ordinary members less effective. Individual members are thus compelled to go to law to establish or to regain their just rights. This is a bad stain on the good name of British trade-union justice, but it is the way the Communists will distort a trade union and turn it into something like a terror organization.

### Class Warfare of the Jungle

THE Electrical Trades Union is the model of a Communist-controlled union, and sets the pattern to be followed by others falling under the Hammer and Sickle. This union with its Communist president, Frank Foulkes, and general secretary, Frank Huxell, in charge of a team of Communist organizers, shop stewards and branch officers, has been able again and again to dragoon over 200,000 intelligent, highly skilled British workers into responding to policies and actions of the most un-British character. The guerrilla strike, which is alien to British orthodox trade unionism, was introduced into this country's life by this Communist-led union. This jungle method of class warfare was the way to deal with our industrial problems, said Mr. Frank Foulkes. That is precisely what it was: guerrilla strikes on the Malayan guerrilla pattern. The same Mr. Foulkes at his union's annual conference said he could not care less about Britain's productivity needs, except on his terms; and one of his terms was to institute a ban on overtime, which even today is costing thousands of his members a weekly loss of £7 in wages. It is obvious that the dislocation of British production was of more concern to him than the loss of earnings suffered by the members affected. The same Communist leaders in an atmosphere of supposed co-existence present £20 of their union funds to a movement in Cyprus which gives tacit support to terrorist shooting of British soldiers and citizens in the back.

The greatest tragedy in all this is in the fact that here again the record of this powerful yet destructive union in election voting is one member in five. Is it to be wondered at that when Mr. Foulkes cracks the whip 200,000 electricians fall into line? This apathy to voting is just how the Communists want it and plan it. Getting their local shop stewards and branch secretaries to work on an election is not a difficult task for them on the basis of the one

in ten or one in five. They concentrate on this small minority, aided by the apathy of the great non-voting majority. This is their secret weapon in strategy for winning elections. Many electricians whom the writer knows well have all asked the vital question, what is to be done about the fact that their union is under Communist control. Quite frankly, there is no easy solution. The ordinary members must know by now the consequences of defying or standing up against Communist dictates. In actual fact now in the E.T.U. it is not a question of opposing union policy: it is a question of opposing the Communist Party, which is an entirely different matter. The workers of East Germany and Poland have paid the price in lives, and they were also trade unionists.

It may well mean the loss of one's job. Let it not be forgotten that the Communist shop steward can arrange this by a process of continued intimidation and manoeuvre. The simple and practical answer to the problem of course should be: the members voted the Communists in, therefore it is they who must vote them out. On the basis of the present voting figures and the majorities obtained by the Communists in recent elections, if only 25 per cent of the 800,000 engineering membership, or 40 per cent of the electricians' membership voted, the odds are that they would be trounced and defeated. This was proved in the recent A.E.U. election with the defeat of the Communist, Mr. Reg Birch.

The beginning of the trouble is at the branch level. It is here that the Communist begins the strategical plan to capture the union, here in the branch, where the members are most intimate with their union. It is here that they judge it and decide whether it is worth coming along to participate in its life and work. Once the Communists get a measure of control in the branch, then they apply their political tactics to drive the members away. Once this is accomplished they then get complete control of the branch, and of course of the voting. To make it easier for the Communists great numbers of members, faced with long journeys brought about by slum clearance and moving, find it almost impossible to attend the local branch meeting, which is generally held in the evening. This leaves the field open to the Communists, who will attend in spite of all the difficulties. In consultation with the local Communist branch secretary arrangements are made to put up for the night any party member who cannot get home or has a distance to travel. This again gives the Communists a great advantage against other union members. Trade unionists, whilst maybe apathetic, also face these difficulties.

What is to be done in the matter, if branch attendances are to increase, as they must to ensure that the democracy of the branch shall prevail, or to strengthen the fight back against Communist infiltration? Employers and factory managements hold equal responsibility in this matter with the unions themselves. It could be suggested that trade-union branch meetings held on the factory premises in the employers' time could pay rich dividends. It would give all the workers the opportunity of participating in branch life and decisions, and end the present anomaly that the small minority take the decisions and thereby compel the non-attending majority to fall into line.

Factory branch meetings in the factory would also assist shift workers who find it impossible to get along to the branch.

Trade unions in general are concentrating mainly on the field of education. Whilst this is of the utmost importance in the technical and administrative domain it does not solve the problem of the one-in-ten voting. It suits the Communists to keep on describing the situation as one of apathy without doing anything to change it. As an indication of the gravity of Communist infiltration of the trade unions, it must be a shock to many to know that the present General Secretary of the Association of Scientific Workers is a rabid Communist named John Dutton. That this gentleman—whom the writer knows well—has captured such a vital position in the British scientific world can no doubt be attributed to the old bogey of apathy, plus the usual Communist tactics which have been described.

If apathy is the accepted reason for the growth of this menacing influence in our unions, then it can be assumed that, unless something is done, they will very cleverly and cunningly apply their new line of propaganda to increase this apathy. This new Communist situation calls for greater vigilance and no relaxation in the efforts of those who are doing all possible in the circumstances to keep the unions democratic, free from the Communist stranglehold.

### The Next Campaign

THE other main question arising from the drastic change in Soviet policy is: what are the Communists planning now in Britain?

Just a few months ago they were meeting and planning to disrupt Britain's economy by widespread strikes. In a journal called *Trade Union Movement*, representing the Communist-controlled World Federation of Trade Unions, Mr. Les Cannon, the Electrical Trades Union's Assistant Education Officer, who operates at the union's college in Chertsey, Surrey, wrote to the Communist world telling them that they could rest assured that in Britain they were about to witness gigantic mass action on the industrial front *against* the drive for increased productivity. The Communist engineering leaders, Mr. Wal Hannington and Mr. Les Ambrose, alongside their comrade Mr. Dave Michaelson, secretary of the unofficial Shop Stewards Council, were laying the plans and setting the pattern in the engineering industry. They worked in concert with their comrades in the electrical industry led by the Communist, Mr. Jack Hendy of the Electrical Power Workers, who was writing articles in *The Power Worker*, a Communist paper circulating in the power stations, telling the workers of ways and means of getting around their agreement and enabling them to strike.

In the building trades, the docks and the transport depots similar plans were being laid. A few small strikes were set in motion in the motor-car industry. As stated by the London district secretary of the Communist Party, Mr. John Mahon, these strikes were the testing ground to get the feeling of the workers.

Will the new Soviet policy now mean peace in Britain's industries in so far as Communist disruption is concerned?

Looking at the situation from the Communist point of view the fact is they have a new reason, different from the motive of planning in the past, to egg the workers on to disrupt Britain's economy. It is no secret today that Russia and the Communist satellite countries are competing for Britain's export markets. From their own economic point of view they do not have to do this, but from a Communist point of view it is a new form of cold war. The strategy is to weaken Britain's economy, with inevitable impact, should it succeed, on the living standards of the British workers, which depend upon our export trade. The Communists here in Britain know this; therefore to fall into line with this new Soviet policy it will be their job to see to it that Russia expands her export trade at Britain's expense. They can do this by two means. First, they will give no support or co-operation to automatism, or anything of the kind that can raise Britain's technical and productive efficiency to the level of Communist countries, where automatism is in the advanced stage, operating in the motor-car industry in particular. Already Russian and Czech cars are competing against ours. They are also offering bombers and aircraft at half the price at which Britain can manufacture them. Secondly, to fit in with their plans they will do everything possible to force our production costs up, so that we cannot possibly compete. The general idea is for the repercussions from the loss of trade to bring about widespread unemployment.

They will tell the workers it is only Communism that can save them. Will they be allowed to succeed?

We cannot stop Russia from seeking export markets, but we can stop the Communists here from losing ours. In many of our industries automatism is about to be or will be introduced. The Communists already are gearing the workers up for strike action against its introduction, for the reasons just given. The fact is that they are doing nothing to co-operate with industry to bring the workers into line with what is absolutely essential if we are to hold our trade. In the words of Mr. Foulkes, the Communist president of the E.T.U., speaking when his members were expecting a responsible lead on the question of automatism, "who wants the work anyway when we can compel the bosses to pay us for nothing?" This kind of cynical wit has graver implications than the ordinary member listening to it may know. The Communists are still out to undermine Britain, but they will use new tactics, strategy and propaganda to do it. It is in the trade unions that they hope to accomplish their plans. Their plans of a few months ago may have changed, but they have not become less dangerous today merely because they have changed their strategy, or meet us full of smiles. They are still the same Communists with the same objective, which is to bring about world conditions suitable for world Communism. They will make greater efforts to develop their existing trade-union influence. They must have control of the trade unions, not for the purpose of assisting Britain in its productivity needs and requirements, but in order to hinder production and ultimately to disrupt our economy. They will endeavour by their new propaganda to mislead the workers and to create greater apathy in their ranks, to assist these Communist objectives. They must not succeed.

# STAFF FOR THE COLD WAR

## A PROGRAMME FOR THEIR TRAINING

**I**S the world being made safe for subversion—first by the United Nations and now by the hydrogen bomb? Anyone who has thought over the deeper implications of Colonel Nasser's recent behaviour and of the British resistance to it finds himself confronted with this question. And anyone who tries to imagine the opportunities that will be offered during years of peaceful coexistence to, say, Russian-supported groups in Germany, or Chinese-supported groups in Burma or Malaya cannot escape it.

It seems that hostile behaviour in the form of open political warfare, subversive activity and patronage of resistance movements is likely to grow, because the governments conducting it believe they run no risk of retaliation by arms. Either, they may argue to themselves, the United Nations will stop the fighting, or the aggrieved power will not resort to arms for fear of setting off an atomic explosion. And even if they do not argue precisely in this fashion, it is at least probable, when they are dealing with the better-behaved nations, that they will count on aid from a body of opinion—a kind of intellectual fifth column—that will declare an affront to the United Nations unacceptable and the risk of atomic war unthinkable.

It may be that the course of the British quarrel with Egypt will clarify this whole matter. It may be that the dubious moral authority of the United Nations and the British reputation for restraint in defending interests will look different when it is over. But even so it is important that a Power with world-wide interests and immense colonial responsibilities should recognize and study the threat of subversion much more overt and on a wider scale than it has previously known. The threat comes not only from the Soviet Union and the national Communist parties that it controls. It comes also from China and Egypt, and in a peculiarly subtle and effective form from India and other Bandoeng nations whose cry is “nationalism right or wrong”.

This article is not concerned with the diagnosis of the threat but with one kind of preparation that is needed for counter-action and defence. In the kind of perpetual cold war situation that peaceful coexistence is likely to offer us, we shall be confronting nations that have either a totalitarian system of government or a powerful and well-organized propaganda machine—or both. The Russians and the Chinese have in addition the most potent weapon of all—the party. Against that array of appeal to the eye and ear the easy-going methods of BBC, British Council and Fleet Street are far from adequate. Nor is the method by which British propaganda activity is geared to official policy either efficient or imaginative enough. We simply are not equipped to hold our own in the political and economic warfare that is being substituted for diplomacy backed by armed forces.

This is not to say that we should study the Communist and nationalist



methods in order to imitate them. Our politics and our institutions make that impossible, save possibly in time of war. Nor is it to say that we should revive our own propaganda and subversive apparatus of war time; it would be impossible to protect it from the legitimate curiosity of the House of Commons and the press, and such publicity would kill it. Much of the talk that is heard about the need to revive the Political Warfare and Special Operations Executives is of the "send for Kitchener" variety. It is rooted in considerable ignorance of how those organizations worked, what they achieved and the kind of staff they need.

What is needed is a new approach designed to suit peace-time—or cold-war—conditions in which government and private enterprise could collaborate. And the beginning of the new approach should be study of the problem and the training of people. In brief this article proposes the establishment of a new staff college, to be used by the Services, the Civil Service, private enterprise and good friends abroad. At a later stage BBC officials, trade union officials, journalists, technicians likely to travel, teachers in foreign schools, might be invited to attend. To save words and to make the working of this institution as clear as possible it will be given the name "Blunt's".

### Curriculum of Blunt's

THE first course at Blunt's would last only a fortnight and not more than a score of pupils would be invited. It would be frankly an experiment the development of which would depend on the pupils. Six would come from the three Services, preferably from the type of officer who is likely to become or has been already in the Joint Planning Staff of the Ministry of Defence. Four would come from the Commonwealth Relations and Colonial Offices: two each from the Foreign Office and the Board of Trade (where these matters are already fairly well understood); and six from great industrial firms with vital interests abroad.

In the opening stage their instructors would have to be gathered from far and wide. Some would come from Malaya, Kenya, the Sudan, Hong Kong; others would come from Warsaw, Belgrade, Madrid and Helsinki. The purpose would be to pool and contrast experience of subversive techniques used against British interests and for Communist and nationalist interests in various parts of the world.

The directing staff, in the first instance, would have to be found from places like the Imperial Defence College and Camberley, and should include the best possible exponents of the art of collecting and assessing political intelligence. For matters of organization, record-keeping, filing and personality-study the best source of instruction would be Scotland Yard. In the initial stage it should be possible to have the temporary services of men and women who during the last war were engaged in propaganda and counter-propaganda, resistance organization and political intelligence.

The first course, it is repeated, would have to be an experiment. So only a broad definition of its purpose is possible. That, as time went on, could be narrowed down and sub-divided. For a beginning the purpose could be

defined as "Attack and defence by para-military methods". For the sake of convenience and security it might be known as "P". The enjoyment of a single-letter title would ensure, as nothing else could, its prestige and success in Whitehall—other things, of course, being equal.

Lectures, discussion and the preparation of reports would be the principal activity. But right from the first the emphasis would be on the idea of forming a cadre of men—and later women—with special experience of and training in "P". Just as the Communist Party owes much of its power and prestige to its reputation for being omnipresent and omniscient, so in time those who had been at Blunt's would win an influence out of all proportion to their numbers. The same idea of the "cadre" is already recognized and encouraged among those who attend the Imperial Defence College in London, students from the Commonwealth included.

Outstanding in the curriculum should be training in the collection, recording and assessment of political intelligence. The neglect of this activity by our own Foreign Service has been, and will continue to be, a serious source of weakness in our estimates of future developments abroad. Again and again senior officials of the Foreign Office, reproached by their lay friends with failure to foresee dangerous happenings, have protested "We are not a political intelligence department." And no naval, military or air intelligence chief will deny that it took the influx of dozens of first-class civilians—now lost to him—to make his own intelligence machine during the last war the very efficient thing it was.

The purpose of teaching political intelligence technique would be twofold. First, to give the pupils the habit of close observation in their meetings with people abroad, in reading newspapers, in watching demonstrations and so on. Propaganda activity needs as its basis information based on a deep and acute inquisitiveness. And the inquisitive spirit has to be concentrated on the facts and personalities that really matter. First, then, training in observation and collection of relevant facts. (The main weapon of British propaganda, the BBC, relies very largely for its material on the British press, which is selecting and presenting its news for purposes entirely different from those of the BBC.)

### Graduates in the Field

THE second part of the purpose at Blunt's would be to secure regular reports from pupils after they had finished their fortnight. Those of them who went abroad would be instructed to send, by the official channel, regular reports on the lines suggested to them by instructors. These reports would then be the raw material for the second instruction course; and after six months or so the reporters would be summoned back to Blunt's to hear the verdict on their reports, to supplement them, and to suggest improvements and changes in the course. Out of this contact should come three things of value for Blunt's.

First the beginning of its own intelligence stock. (What is to be done with it will be suggested later.) No institution of this kind, open to individuals not in the public service, could expect to be served with information by such



departments as the Foreign Office and the Ministry of Defence. It would have to create its own hump, perhaps even live on it.

Secondly, the pupils would be at once put into contact with reality. They would be actually reporting on current events and adding to the stock of relevant information. They would be stimulated to propose—perhaps even to take—counter measures. Communists see to it that each party member does his own propaganda. Non-Communists only too often sit back, grumble, and demand that some machine should do something.

Thirdly, the staff college should quickly develop a tradition and sense of purpose, which would attract to it some of the ablest young men and women in private enterprise as well as in the public service.

The collection and study of intelligence is, however, less than half the battle. It is emphasized and given priority here because without it practical work and instruction are not possible, and because of the persistent refusal to recognize in peacetime Whitehall that successful propaganda and counter-propaganda (to say nothing of other forms of para-military work) are based on it. Moreover, it is by studying what the enemy is trying to do to him that the student begins to grasp what he must do to the enemy and how it can be most effectively done. The beginning of successful argument with Communists is to understand how their minds work; and to study the methods used by Communists and others in their appeal to, say, the mind of the African is valuable to our own attempt to keep his confidence and respect.

Also important is a certain elementary training in the principles of controversy and appeal, such as the Electrical Trades Union gives to its young officials. This is not the place to go into detail. Two examples will suffice to explain what is meant. In the first place it is too often assumed, even by quite experienced propagandists and publicists, that the best way to get an idea into someone else's head is to expound it simply, sincerely and repeatedly. This is the basis of much American propaganda effort to the outside world—and of much mass publicity. The instructor at Blunt's would point out, among other things, that if the audience addressed dislikes and distrusts X, it is quite useless for X to say "This is X calling and telling you the truth." This principle seems so obvious as to be hardly worth stating; but it is regularly ignored on a large scale. Our cadre of political warriors must learn something of the techniques of suggestion, indirect argument and persuasion. It is not sufficient to assert and inform.

In the second place, it is necessary to train pupils in understanding the importance of craftsmanship. The political warrior, whether he is in a firm, or a battalion, or a consulate abroad, must leave the use of media like slogans, pictures, exhibitions, leaflets, broadcasts and so on to people who will do it well. Admittedly, there have been cases—notably in Malaya and Kenya—of brilliant improvisation by amateurs; and nothing should be done to stifle the imagination and resource that the untrained and unskilled will often show. But, generally speaking, the pupils of Blunt's will be calling in the media of information and propaganda to their aid—not actually using them themselves. They need to understand what the media can do and are doing;

but they need not be taught, save in exceptional circumstances, to exercise the skills.

### A Gap in the Records

ONE handicap that faces the instructor at Blunt's is the lack of reading-matter. Nothing of real value has been written about the technique of political warfare used in the last war. Descriptions of other para-military work are scattered about among hundreds of books and have still to be collated and studied. No study of such work will be included, so far as the writer of this article knows, in the official histories. It will therefore be necessary to have written some basic discussion of the cold war situation; of the aid that mind-and-nerve war can offer to the armed forces; of the basic strategy of which "P" must be part. It will further be necessary to assemble some account of methods found effective in campaigns waged since 1945, for example in Malaya, in Kenya, in British Guiana, in Korea, in Palestine. For one of the main aims of Blunt's must be to build up a history and a doctrine for an aspect of warfare that we have practised with success but never submitted to scientific examination. Blunt's must therefore begin as a scratch school in order to end as a staff college of the highest quality.

How is Blunt's to be directed and paid for? Again detail need not concern us. Where there is a will there is a way. But three principles should be observed. First, it must not be under the sole or direct control of the Foreign Office. That would ensure from the first frustration on policy grounds and the jealous eye of the stepmother towards someone else's child. Supervision should lie with the Ministry of Defence, and there is reason to believe that the responsibility would not be declined. Obviously the Foreign Office must be closely concerned with the work of the college, but the influence it enjoys there should be strictly proportionate to the help given. Once a generation of Foreign Service men and women had been through Blunt's it would not lack friends on the wrong side of Downing Street.

The second principle to be strictly observed is the share—at least equal share—of private enterprise in the project. It would not be fair to single out firms that would obviously be interested in it: a dozen world-famous names spring to anyone's mind. But they could clearly afford substantial subscriptions to what would be for some years a not expensive institution. Indeed, there is much to be said for leaving the foundation of Blunt's entirely to them and for inviting official co-operation when it is a going concern. In any case private firms should be represented directly—not by officials-of-all-work from the F.B.I.—on the board of governors, and preferably not by public relations officers. What is needed is the attention of business men with a thorough grasp of what personal and national politics mean to their interests abroad, and with the power to get support from their Boards.

Thirdly, it is important that the institution, at any rate in its early stages, should have something like the status of the BBC. One of the outstanding merits of the BBC Overseas Services as a medium of information and propaganda has been the fact that the Government could frankly and sincerely disavow responsibility for its policy in peace-time. The combination of

freedom with a sense of public responsibility is what is needed at Blunt's. It is most important that Government should be able to insist that it is not responsible for, or in charge of, the work at Blunt's; just as the Soviet Government insists, no doubt with formal correctness on its side, that it has no responsibility for the subversive work of Communists against British interests all over the world.

To sum up, therefore: one visualizes a small staff college for para-military studies, founded by private money, directed by a board of governors with virtual independence, and supervised—with what degree of closeness remains to be seen—by a department of the Ministry of Defence. That relationship to Whitehall should be sufficient, at any rate in the early stages. For Blunt's will not be conducting "P" operations. That, one hopes, will become the task of a properly organized executive branch of the Ministry of Defence. Blunt's will be training the cadres, and how the cadres are used when they have been trained is not the instructor's business.

### A Reservoir of Experience

THERE is no doubt that the experience and the talent to give such an institution a good start are still available. In ten years they may not be; and it is important to realize that this work called "P" can be learnt only by trial and error. In war-time error is permissible even though dangerous. In peace-time it is almost impossible to risk error, and genuine experiment therefore becomes very difficult. Already there are in the field American and British enterprises which, broadly speaking, are distinguished by their amateurishness, their lack of resources and their second-rate personnel. They are in some cases using old, war-time methods in circumstances that clearly exclude them.

Let it be made quite clear once again what will be taught and done at Blunt's. First, the observation of situations, people, parties and moods abroad and the accurate reporting of what is observed, *with a view to its use*. Secondly, the use of argument, facts, appeals to emotion, party machinery, newspaper space and so on for putting ideas across or counter-attacking unfriendly propaganda. Thirdly, the rôle and availability of such media as radio, leaflets, agents, pictures, films, and other publicity methods. Fourthly, the pooling of experience by men and women from diverse fields of political and economic activity, the exchange of ideas, the establishment of the idea of a cadre working along general lines laid down at some centre of planning and thought. Lastly, but most important of all, the working out of a strategy and doctrine of para-military activity in basic booklets, lectures and eventually—one hopes—authoritative works.

To many people this may sound unreal and over-ambitious. The author's view is that it is not. The effort is well within our resources and would give purpose, cohesion and drive to much that we are doing already. Within the organization of Whitehall or the Services it would, almost certainly, be impracticable, especially in peace-time. Red tape would quickly stifle the creative effort that is needed. But if private enterprise would undertake the first stages of the experiment, with official patronage given in one of the many ingenious

ways that are available, then there is no reason why it should not quickly grow.

On one point there is no doubt. If there were throughout the Colonial Empire, and in all unfriendly countries, former pupils of Blunt's reporting back not only to Blunt's but to their masters in the Ministries in the way they had been trained, the impact on Whitehall would be considerable. The needs and opportunities of this kind of defence in cold war can be grasped only by men who have them regularly and skilfully brought to their notice. To ensure the supply of such intelligence, men and women must be trained. That is what Blunt's would be first and foremost told to do.

# INDIA AND HER NEIGHBOURS

## HOSTILITY ON RIGHT AND LEFT

*(From an Indian correspondent)\**

MR. NEHRU is quite right in claiming that his foreign policy has the general support of his country. It has—except in one important respect. The enormous influence of Mr. Nehru and the Congress Party as led by him conceals the fact; but, if there were such elicitations of public opinion as some foreigners now recommend for a part of India, namely Kashmir, it would be found that the majority of Indians consider Mr. Nehru's policy towards Pakistan far too soft, far too idealistic and far too dreamy. The facts, which the Government of India is too often at pains to play down, tend to justify the understated criticism in the country. No Indian newspaper can say how many Hindus (or Muslims) may have been killed in a village fracas; no Indian film can show that there has been, at one time, a serious communal riot in Calcutta or Amritsar. The reason for it all is that the Government of India is anxious to forget the past so that the future may be different and better, free from communal tensions and dedicated to a programme of rapid economic progress.

Two important qualifications have to be made at the outset. First, the pursuit of India's declared policy of a secular State has been hampered more than once by circumstances beyond her control, if only because some of them took place in Pakistan. And, secondly, the assertion has still been made because there has been, in the years since 1947, a steady erosion of intellectual impartiality, chiefly because of a complete absence of the critical spirit in the capital of Pakistan. There has been ample evidence of this in the pages of this journal. Oftener than not, the letter from India has been critical of Mr. Nehru and the Government of India. The correspondent in Pakistan, on the other hand, has rarely deviated from the line laid down by official propaganda, and there has been next to no criticism of the many things the many Governments of Pakistan have been doing, or not doing. This obvious difference in approach is relevant because the two correspondents live in significantly different conditions.

This particular essay, the writer sincerely regrets, will not be the best illustration of that difference, for a debater's pace is set very largely by his opponent. That this is so in international relations also is the most painful conclusion of a study of Indo-Pakistani relations since August 15, 1947. It

\* This article is a reply to that entitled "Pakistan and her Neighbours" in THE ROUND TABLE, No. 183, June 1956, pp. 236-45. Both authors, whom the Editor believes to be representative of public opinion in their countries, were invited to express their sentiments with the utmost frankness. The profound differences that have been revealed between them will be surveyed from a wider Commonwealth point of view in a later issue of THE ROUND TABLE.



should not take a student of history very long to see that a great deal of the continuing conflict between India and Pakistan was inherent in the way the two independencies came into being. This historical inevitability can be comprehended only by an unbiased observer. Not the least of Pakistan's current misfortunes—which are no longer secrets, and in some of which India has gone forward with offers of generous assistance—is that it has to live an uncriticized existence.

There will be occasion to return to the theme in the end, but let us here amplify the point of historical inevitability. No Indian need conceal, or seek to explain away, that he never wanted the country to be partitioned. He knew it could only lead to further complications. The Indian Hindu might well have admitted to himself that he had not always been fair to his Muslim countrymen—even as, to be historical again, the Muslim had not always been kind to the Hindu—but he knew that two centuries of British rule had so scrambled the egg that now to take the yolk from the white could at best be a very unthorough job. Confronted in the course of the debate that was going on, punctuated by a few riots here and there, with the demand for a separate State, the Congress Party, which contained a number of Muslims, was at first bewildered. The Muslim League then used the ultimate argument: what a British daily newspaper in India called the Great Calcutta Killing. In conformity with the cause-and-effect formula suggested before, the Hindus, in some areas, began to return the compliment. Before long there was a situation in which the Congress Party could either continue to witness these scenes of mutual slaughter passively or agree to a desperate remedy. That remedy—wholly unwanted, let us repeat—was partition, which brought India and Pakistan into being as we know them today.

It is, then, the Pakistani Muslims who wanted a sovereign State for themselves, and they made no secret why they demanded it. They felt, with what warrant it is today useless to enquire, that they could not live, *on any terms*, with the majority of the people in India. There may be other names for the intense feeling that led to this demand for separation, but "hatred" should sum them all up. Again, an observer should hark back to history. After all, the Hindus of India had been the slaves of the Muslims for well-nigh nine centuries before the British came and won the Hindus over to their side. No Muslim with a sense of history could help being anti-British in the first instance and then, at a second remove, anti-Hindu. All this was but natural, and only the shallowest optimists could have hoped that, on the morrow of the achievement of Pakistan, the Muslims would forget all this accumulated animosity and become friends of Britain and India.

#### The Ugly Residue

**T**HIS background of hatred had prepared Hindu India for a period of inescapable estrangement. They knew that a State born of hatred could not possibly be friendly overnight. What has pained India since is that the feeling should have lasted to this day as it certainly has done. An attempt will soon be made to answer some of the points raised by the Pakistani correspondent, but it must be emphasized again that the task is undertaken with extreme

reluctance. True it is that India would have liked to be one, as is evident from the fact that there are, still, more than forty million Muslims in this country, living in apparent safety and comfort. How precarious this balance is, thanks to Pakistan's misguided policies, will be made clear later.

Let us, meanwhile, deal with the Pakistani case point by point and *seriatim*. "During the last two years or so", it has been stated, "there have been spectacular developments in the foreign policy of Pakistan." There indeed have been, and these changes may have been responsible for a certain change of attitude on the part of India. Pakistan's own foreign policy might, or might not, affect India greatly but, when Pakistan became part of the foreign policy of a Great Power, as she has been since 1954, it is not easy to see how India could have helped changing her attitude to Pakistan. If Pakistan ever thought she could effect a revolutionary change in her own status in the world without expecting commensurate changes in other peoples' attitudes towards herself, she must be said to have been rather simple-minded. The matter is complicated by the fact that naïve she never was.

It has been argued that there were factors that impelled Pakistan to make the radical change in foreign policy referred to in the foregoing. The dream of a Commonwealth of Islam? The whole Middle East is there to impress upon Pakistan that religion, even Islam, can no longer be a decisive factor in political affairs. Turkey, with which country Pakistan is in many ways very friendly today, discarded the principle some time ago. Could it then be Islam's allegedly inevitable antipathy to Communism? We need no more than mention Egypt's acceptance of arms aid from the Soviet Union or its satellites. It was the Pakistani press that reported with ill-concealed pleasure that, on the occasion of the inauguration of the Republic of Pakistan, it was not M. Mikoyan from the Soviet Union who was harassed; it was India's representative, Mr. Mehr Chand Khanna, who was prevented from congratulating Pakistan on her becoming a republic. Of Pakistan's fanatical anti-Communism a surer proof, certainly, is not the fact that the Prime Minister of Pakistan is scheduled to visit China shortly on an invitation.

The third point mentioned by the Pakistani correspondent, as a shaper of his country's changed foreign policy, is the alleged fear of "India and Afghanistan, her two hostile neighbours". Afghanistan, let us remind ourselves, is a Muslim country. So much, therefore, for the Pakistani ambition to preside over a Commonwealth of Islam. How the majority of the Muslim countries in the Middle East have since refused to follow the Islamic lead of Pakistan is further proof of the utter untenability of Pakistan's claim to be a leader of the Muslim world.

Much has been made of the "geographical position" of Pakistan as a determinant of her foreign policy. It is indeed important, and let us look at it from the Indian point of view. The extent of Pakistan's own military strength must remain a matter of speculation in India, and in these circumstances guesswork always tends to credit the other side with greater striking power than it probably possesses. But the fact remains that Pakistan is now part of a larger strategic system: on India's west there is the Baghdad Pact and on her south-east there is SEATO. Against this background it is surely non-

sense to speak of the disparity between India's manpower and Pakistan's, or of the respective strength of the two countries in conventional weapons. It was recently announced by the United States that NATO would be equipped with guided missiles and nuclear weapons. Can they not make a hash of all previous conceptions of equilibrium between countries? What, India may well ask herself, is there to prevent the United States from arming SEATO similarly? What, then, happens to the present ratio between Indian and Pakistani armed strength? Who, then, has greater reason to be afraid, Pakistan or India? There is the Dixon report on Kashmir to show that the only aggression against India so far was made by, unfortunately, Pakistan. There is a further United Nations report, unfortunately again, to show that the most serious of "border incidents" was a deliberate act of Pakistan's.

Something has already been said of the insubstantiality of Pakistan's feigned fear of Russia, but to say, as has been done in this journal, that the Khyber and Kojak passes are still apprehended as possible ways of further invasion is to pit dubious geography against real history. When was this route last used for an invasion against what used to be India? Why is not Afghanistan, another Muslim country, half so afraid? As if in awareness of the weakness of this line of argument, it is stated that there is a common frontier between Eastern Pakistan and Burma, that from Dacca "Kunming and Bangkok are each 1,000 miles away, a trivial distance in modern warfare". There is a common frontier between Eastern Pakistan and India too, and it is perhaps an unconscious tribute to the latter that she is not cited as the first potential enemy. As it happens, Pakistan knows that India has no aggressive intentions. But, one understands, she has somehow to justify her joining the various military alliances, and facts are irrelevances in presenting a weak case. It is useless to enquire why, apart from her inborn anti-Indianism, Pakistan ever joined the pacts. Pakistan herself does not know. Even a cursory look at the map of the sub-continent will show that the geographical arguments adduced by Pakistan are equally applicable to India, only more so.

Facts, we are told, are "stubborn things". Not too stubborn, unfortunately, to be twisted by the interested, and here are a couple of instances by the way. The "force of geography", we are told, would have made it impossible for Pakistan to remain neutral, as she had done in the first six years of her existence. It has not been shown in this argument that India's geography is materially different, but she has still managed to remain free and unattached and neutral. Secondly, it is not even mentioned that the sudden change in Pakistan's foreign policy was preceded by the accidental assassination of a Prime Minister—or was it not accidental?—and by the equally abrupt replacement of the succeeding Premier by one who had been Pakistan's ambassador in the United States, the country Pakistan has now attached herself to. (There will be more to say of this catena of circumstances later.)

### Starting from Scratch?

MUCH too much is made of the fact that Pakistan had to start from scratch, and with far too little reason. An uncharitable, but not wholly unfair, answer would be that she had made her bed and might as well lie on

it. If the Pakistanis ever thought they could start a new country from anywhere but scratch they have only themselves to blame for it. As for India's ever trying to make things difficult for the new-born State, the facts, rather stubborn, are all against Pakistan. It is unnecessary to look up what India did or did not in August 1947; only the other day the Minister of Finance advised the Indian Parliament that Pakistan had not paid a single rupee of the partition debt of Rs.300 *crores*, that is, the debt consequent on partition. The statement has not been contradicted. It must also be remembered in India, in this context, that, at the height of one of Pakistan's many financial crises, a notable Indian went on fast so that Pakistan could be helped out. A payment of Rs.20 *crores* was made immediately. Unfortunately, that Indian's life was not saved for long thereafter: Gandhi was shot dead by a fanatic. Gandhi's life is one of the payments India has made to Pakistan since partition. No higher price may have been paid in history by one country to another.

Did commerce and industry come to a standstill? Not really; British business carried on as usual—at least no complaint has been heard against it—and it may not have been entirely the Hindus' fault that they controlled most of the business which was not British. "Over nine million Muslim refugees", we are told, poured into Pakistan. The number of Hindu refugees who came, and are still coming, from Pakistan to India must be several times that number. At the time of writing there is a further problem on India's hands: Pakistani Muslims are coming to India by the thousand because they cannot make a living in their country. It is quite possible that, consequent upon the partition the Muslim League wanted, there were dislocations in the armed forces of Pakistan. (There must have been similar dislocations in the Indian Army, and in the Indian railways and ports, which continue to employ a large number of Pakistani Muslims.) The Pakistani armed forces cannot, however, have been so crippled as to dissuade her leaders from an adventurous attack on Kashmir.

Something has already been said of Pakistan's religious links with the other Muslim countries, and her natural desire to strengthen the association. It may not all be India's fault that efforts in this direction have so far been dismal failures. Afghanistan has not been lured by promises of Islamic brotherhood, and it should not be necessary to point out that in the Arab world today India has far more friends than Pakistan can claim. All of it is not necessarily ascribable to India's actions, or to her virtues; some of India's successes in the region are only the by-products of the Cold War; but Pakistan will do well to enquire why, in spite of the initial advantage of a common religion, all her ambitions to be a major Muslim power have been so sadly frustrated. It is not enough to blame India, or Pakistani publicity. Her friends serve her ill when they provide her with excuses and scapegoats for her own sad failure to consolidate herself, to win the respect of the world. Seeds of these failures were, in part, inherent in the way Pakistan came into being. The character of the people had not been steelled by struggle for freedom; the army and the bureaucracy, which rule Pakistan, have no political experience. The time may also have come to realize that hatred rarely encourages positive thinking. Miss Fatima Jinnah, sister of the creator of

Pakistan, analysed the position well in her 14 Day message on July 18: "The supreme need of the hour is a determination of the people to curb and eliminate insensate self-seeking and selfish ambitions in disregard of ethical principles." It is the rulers of Pakistan who have let the people down—no outsider.

### India and the Pacts

THERE came a time, in the well-known argument between Stalin and Trotsky, when it was unnecessary for the former to defend himself; his very success became an irrefutable argument. The same could be said of Mr. Nehru's foreign policy. The present writer is not an uncritical admirer of every aspect of India's foreign policy; he thinks some of its assumptions a shaky foundation for the country's security. But he has to confess that Mr. Nehru has not been proved wrong yet, and that some of India's policies have paid already. India's international stature today must be the object of envy in Karachi, and the way India receives generous economic aid from such diverse sources as the United States, the Soviet Union, Federal Germany, and the Commonwealth countries—and all this without the slightest infringement of her sovereignty—must be a unique achievement of diplomacy. It is not military strength that can explain this success, nor Machiavellian manoeuvring; almost all of it is due to what, in the absence of a more precise term, must be called force of character.

The plea that Pakistan has joined military *blocs* without being subservient is unlikely to convince anyone. Even Britain will not pretend that she has the same voice in SEATO or NATO as the United States, and for Pakistan to claim that she is as independent as she was before lining up is to deceive nobody but herself. But an independent country is entitled to lose its independence, and it is not for India to question Pakistan's ways. India is, however, under an obligation to take serious note of what her unfriendly neighbour is doing, and if at certain points India's foreign policy in relation to Pakistan has of late shown signs of stiffening, Pakistan has only herself to thank for it. It must be noted still that India has engaged herself in no arms race to offset the military aid Pakistan has received from the United States; that she is proceeding with her five-year plan, and investing a larger part of the national product in economic development; and that even Pakistan's attachment to perhaps the strongest nation in the world has not led India to seek protection from the other Great Power. It is a curious argument indeed that a country without any military alliances is said to be more threatening or aggressive than one with a series of "defence" treaties.

Pakistan is entitled to her views on the need for military alliances, but it cannot have escaped her notice that the rest of the world is now thinking on rather different lines. Most of the military groupings are now otiose, and hence the desperate search of NATO, SEATO and Baghdad for something to have to do. It is to stop this corroding process of inanition that purely military organizations are now being asked to undertake economic development, for which there are other institutions already in existence. There is a strong temptation now in the majority of the countries in Europe to call the Cold War off, and to come to terms with the Soviet Union on a basis of



mutual non-interference. Even Sir Winston Churchill's recent Aachen oration, for all its reservations, pointed to the need for an understanding with the Soviet Union. There have been reports that the U.S. State Department itself is engaged in some vigorous rethinking, for the military obsession is fast becoming out of date, out of line with the changing character of the Russian offensive. That there has been no visible corresponding change in the thinking of the West's military allies in Asia is indicative of a serious weakness in the latter. Most of the régimes in these, which Mr. Walter Lippmann has called America's client-States, are unpopular in varying degrees and, in consequence, largely dependent upon American support for their continuance in power. That this is so with Chiang and Rhee and Diem is not seriously denied even in the United States; Pakistan is not, yet, quite so precariously placed, but the obvious political instability of the country is only the visible symptom of a deeper disease. The soldier-President of Pakistan knows that U.S. aid will cease the moment there is a reduction in Soviet-U.S. tension, in which he and his followers now have a vested interest. The democratic world must begin to examine the various motives of its different allies in Asia.

In Pakistan's case the motive, besides that of the régime's survival, is clearly to speak to India from a borrowed "position of strength". As it happens, strength is one of those things which cannot be borrowed. Rather late in the day, the United States realized that all her assistance to the rotten régime of Chiang in China only hastened its end. Similar disillusion awaits the West with several of her allies in Asia. One is only sorry for Pakistan that, before that moment of truth arrives in Washington, irreparable harm will have been done to Pakistan.

### Two Artificial Issues

IT is possible that Pakistan has a case against Afghanistan. When a Pakistani spokesman is sarcastic about "a few Persian-speaking families" that control the Government at Kabul, he is entitled for that moment to forget that the democratic basis of his own Government is not noticeably broader. All this, however, is of limited and academic interest to India, which would like to be left out of this dispute altogether. From India's point of view, the only difference between Karachi and Kabul is that to her gesture of friendship the latter has so far been more responsive than the former. If Karachi, however, thinks that India should cease to be friendly with Afghanistan for the simple reason that it might force Kabul to be subservient to Karachi, Pakistan is obviously expecting too much and, incidentally, seeking to influence India's policy towards other countries to an extent that India may well resent. Vague allegations against India, that she is alienating Afghanistan from her natural neighbour, Pakistan, will not help. Indeed, if it came to that, it is Pakistan that has persistently offended India by being friendly with countries temporarily unfriendly with India. When Pakistan trades with South Africa, and sends rice to Goa notwithstanding that her own supplies are so inadequate that she has to borrow from India, she takes her anti-Indianism to an absurd extent.

The second artificial issue is what Marshal Bulganin and M. Khrushchev

said in India on various problems. The hollowness of Pakistan's anti-Communism has already been mentioned. She receives M. Mikoyan while she stones India's Mehr Chand Khanna; her Prime Minister is to visit China, and there is also an invitation to go to Moscow; and in any event if Messrs. Khrushchev and Bulganin said Goa and Kashmir were part of India, Pakistan has since had the satisfaction, for what it was worth, of being told by Mr. Dulles that the United States viewed the questions differently. Propaganda points can be scored by both these external endorsements of Indo-Pakistani claims, although one was unsolicited and the other not, but it is difficult to see that either statement makes much material difference to the dispute. For both the United States and the Soviet Union everything is grist to the mill of the Cold War, and if there is any lesson to be learnt in India and Pakistan it is surely this, that any solution of Indo-Pakistani disputes only recedes farther by being brought into the larger conflict between East and West.

Even if Pakistan pretends not to know it, the rest of the world knows that the visit of the Russian leaders to India has not made the slightest difference to her policy of non-involvement. To say that Mr. Nehru "has bitten off more than he can chew", or that "nothing will please him more than to see Pakistan as India's camp-follower", or that he "wants to ride two horses at the same time" is to bring an international argument down to the level of a schoolboys' quarrel. It has already been stated that between Mr. Nehru's attitude to Pakistan and that of a large section of his people there is a gulf. It is Mr. Nehru's overriding personality that is responsible for the restraint in the Indian press, for the continuous generosity of India in regard to the distribution of canal waters, and for her exemplary forbearance in Kashmir. One has only to look at the newspapers of the two countries to know the difference in approach. If Pakistan cannot develop her water resources, India can hold up her own development projects only for a limited period. Kashmir? The Indian case in this dispute was argued with some thoroughness in a previous issue\* of THE ROUND TABLE by its correspondent in India, and in vain does one look for an answer to his many arguments in the essay to which this is an unofficial and reluctant reply.

### Pakistan and Kashmir

THE very association of the two is a severe indictment of Pakistan. Nor was the association, it must be admitted, any of Pakistan's choosing. She had throughout maintained that it was only the tribals who, angry with the Hindu Maharajah of Kashmir and their hearts bleeding for their co-religionists under his tyrannical régime, had hurled themselves into the fight. Pakistan, it was argued, was indeed sympathetic, but she had taken no part whatever in the fighting. That was the story, until facts caught up with the lie and she was obliged to admit that Pakistani troops had taken part in the proceedings in Indian territory. It was as clear a case of aggression against a neighbour as the world has known. It is against this act of aggression that India complained to the Security Council. Unfortunately that body of appeal

\* See THE ROUND TABLE, No. 177, Dec. 1954, pp. 70-72.

allowed itself to be bogged into a morass of irrelevant issues, and a clear verdict on the question of Pakistani aggression has been evaded—with some inescapable diminution of India's respect for the authority of the Security Council. The first thing to remember about Kashmir, therefore, is that Pakistan has no business to be there. In the same way as some Princely States had acceded to Pakistan, Kashmir through its Maharajah joined India. That should have been the end of it.

It was not, because the Prime Minister of India felt that a reference to the people would be a good idea. For all legal purposes—and it will be a bad day when law is relegated to a subsidiary position in international relations—the accession of the Maharajah was enough. India was under no obligation to promise a plebiscite. The only thing that can be said against India now, although there have been several elections in the intervening years, is that Mr. Nehru was in tactical error in promising a plebiscite; it is indeed ironical that a man's good intentions are later held against him. Nobody knows what the result of a plebiscite will be; it may as likely go against Pakistan as against India. But who is Pakistan to demand a plebiscite? Has anyone made sure of her *locus standi* in the matter, which is between India and Kashmir? As for the Security Council, it was referred to only on the question of Pakistani aggression, and it is by no means certain that it was within its rights to pronounce on questions never raised by the complainant.

Pakistan is quite right in complaining that there has been a noticeable change in the Indian attitude to the question of a plebiscite in Kashmir. It could scarcely have been otherwise. Let us not speculate about what Mr. Nehru's, or anybody's, true colours might be. Let us, instead, take note of the changes that have come over the Pakistani scene and in Kashmir itself. History is a difficult thing to put in reverse gear, and just as Pakistan cannot on a sudden detach herself from the Kashmir question (although some would doubtless like to forget the whole thing, for it is retarding development) India cannot stand by a declaration made in totally different circumstances. Pakistan's joining SEATO and the Baghdad Pact is as important to India as Guatemala's joining the Warsaw Pact would be to the United States or Eire's joining the Moscow-Peking axis would be to Britain. On the other hand, India has set in motion in Kashmir a vast programme of economic development, and no country in the world can tolerate the possibility (however remote) that so much of its effort (and money) may run to waste through a political dislocation that was absolutely unnecessary to invite.

But let us, first, have a look at the arguments adduced in the Pakistani correspondent's essay in the June number, for this is to be read alongside that unprovoked attack on India and Mr. Nehru. "There can be", he says, "no comprehensive and satisfactory defence scheme for Pakistan without Kashmir." This was Stalin's argument for absorbing a part of Poland, and Hitler must have used it on many occasions. Karachi should be careful; some country might some day consider Karachi an essential requirement of its defence scheme. We are also told that "the upper reaches of the rivers on which Pakistan's agriculture depends flow through Indian-held Kashmir". On this basis India could occupy Tibet, for through the latter flow some of

India's most important rivers. On this basis too, some day some country might seek to capture Pakistan, for the former's textile mills might be dependent upon Pakistan's cotton. If such arguments mean anything at all, it is that Pakistan probably wanted Kashmir so badly that she attacked Kashmir in the hope that India would not do anything.

Whatever India or Pakistan may think, the world outside can no longer remain indifferent to the Kashmir issue. For liberal opinion abroad the question to ask is: would it be good for the Kashmiris to force a change in the present situation? The answer cannot be in the affirmative, if the question is viewed against a liberal background. First, Pakistan has rejected the Indian Prime Minister's suggestion—made in spite of opposition in India—that there be an understanding on the basis of the *status quo*. In the unlikely event of India's agreement to a plebiscite in Kashmir, it would be fought exclusively on the issue of religion. The result of the plebiscite cannot be known beforehand, but the very process of its holding will unleash forces which are only too predictable. The difference will not be known in Pakistan, but in India the air will be poisoned as it has not been since those dreadful days before and during partition. Once again everyone will be asked to think of himself as a Hindu or a Muslim and, whatever may happen in Kashmir, the future of India's own forty million Muslims will be in danger. Mr. Nehru cannot possibly allow this to happen, and if in claiming a plebiscite for Kashmir Pakistan is not taking this eventuality into account at all it is because she is less thoughtful of the fate of her coreligionists in India than she is of her insatiable political and territorial ambitions. India knows what it is to receive a thousand refugees a day—as she does now from Eastern Pakistan—and is understandably anxious to avoid “solutions” of the Kashmir problem that will only lead to further problems for both Pakistan and India, for millions of men and women, Hindu and Muslim.

### Conclusions

**I**N conclusion it is necessary to make two further points, one addressed specifically to Pakistan and the other to the Commonwealth, of which, let us remind ourselves, India is an enthusiastic member.

Those who are concerned with Pakistani affairs, leaders or commentators, will lose nothing by re-reading the first sentence of this essay and by pondering on its implications. Mr. Nehru's policy towards Pakistan, they will do well to understand, is very much Mr. Nehru's own and will not necessarily survive him. He is a liberal man, quite incapable of thinking in terms of religion, and there is no guarantee that his successor will be nearly so liberal. If Pakistan does not come to terms with India while he is directing India's policies, it may be too late for Pakistan. This has to be stated quite plainly, because there are many liberals in India who see in Nehru the only hope of an understanding with Pakistan for which they devoutly wish. They are pained at Pakistan's intransigence, and regret that Pakistan's obsessive communalism sometimes makes them talk like communalists. Such at least is the view of the present writer. Up to the present at any rate it is possible in India to criticize the Government of India; it is possible to write strongly against

Hindu communalists; both are done daily by various intellectuals and other people. It is a matter of sincere regret that there is no comparable habit of criticism in Pakistan. It may, of course, be claimed that on fundamentals there is absolute unanimity in Pakistan. Similar claims have been made by many other dictatorial régimes, equally unconvincingly. The politicians are alike in most countries, so are the people. It is the intellectual climate of a country that indicates whether it is free and liberal or it is not. It is almost certain that there are free thinkers and liberals in Pakistan too, but they have yet to be heard. It may be a mistaken notion of loyalty to extend support to Authority on every question.

Secondly, the Commonwealth, to which repeated appeals are made by Pakistan for intervention, has to think hard on its relations with Pakistan. Mr. Menzies has recently expressed views on the Commonwealth which are at variance with those of India. Even liberals have objected that both South Africa and India should be members of the same organization. It is quite legitimate to ask whether the Commonwealth should not consider a more rigid definition of its objects and principles. But the recent meeting of the Commonwealth Prime Ministers may have acted wisely in not forcing the issue. It is true enough that the Commonwealth has not been able to resolve the disputes between India and South Africa, between India and Pakistan. But at least the latter was referred to the Security Council, which has not so far recorded a greater success. The experience of the United Nations, which keeps China out, is there to show that exclusion of a country from membership is more a hindrance than a help in finding solutions to disputes. This would be true if South Africa were refused membership of the Commonwealth, or Pakistan—or India.

It is by no means certain, however, that Pakistan lays much store by her Commonwealth association, and this should be a matter of some concern to the other members of the Commonwealth. The present conflict between the East and the West makes it inevitable for Britain to identify herself completely with the United States, for without the latter there can be no effective Western defence against Communism. But it is a changing world we live in, and the Cold War may be no more a constant than the Crusades proved to be. It may then be necessary to see, and say, that Britain's interests are not always identical with those of the United States. This does not postulate a quarrel between these two great democracies, but a clearer definition of their respective interests and orbits of influence may one day be necessary. Where will Pakistan be in that reassessment? Is it altogether fanciful to think that Pakistan is slowly but surely passing into what we may later have to call the U.S. world? This may not be so remote a possibility as some may think today. It is also possible that not every member of the Commonwealth will view the possibility with equal enthusiasm. If the Commonwealth has to review its constitution, rethink its future, it is possibilities such as this that must be given serious consideration.

India,

August 1956.



# THE EISENHOWER ERA

## FOUR YEARS OF THE NEW REPUBLICANISM

THE Eisenhower Administration, the first Republican régime in Washington since 1932, has entered the home stretch of a four-year term. As it moves into its final months of office and as President Eisenhower prepares to stand for re-election on his record, a good many estimates of that record are being compiled—by Democratic politicians, by Republican spokesmen, by the biographers, the workaday historians and the newspaper columnists.

Four volumes appraising the Eisenhower years are already in the book-stalls. One author was accorded intimate access to Cabinet "minutes" and Administration memoranda. Newspapers have run series analysing the Eisenhower impact on events. This is indeed the time for estimating how President Eisenhower, a most attractive and popular man, has affected the national mood, the global search for peace and the reorientation of his own Republican Party. What has been the caliber of the unusually close-knit "Eisenhower team" in Washington? How effective has been the vaunted Eisenhower leadership?

Any such appraisal must at once note how the political campaigning of 1956, and indeed the national concern generally, has centered to an unusual degree on the President personally. A President seeking a second term of course is always in the limelight. His policies determine the party "platform". He personally chooses his vice-presidential running-mate. But the extent to which many Americans, when they have thought of government at all during these four years, have thought of Dwight D. Eisenhower is probably unprecedented.

The varying reports on Mr. Eisenhower's health and recovery, his eagerness or lack of interest regarding his job, whether he will be able to play golf again, his views on world peace and the new Soviet diplomacy—all of these have been the intermixed topics of political and social conversation.

A majority of the American people seem to have developed a special relationship to President Eisenhower. For some few he has become very nearly what the psychologists call a "father image" in the White House. Franklin D. Roosevelt as President was also the object of deep affection, but he encountered as well the concentrated hatred of some business segments of the community. "Ike" is admired by almost all the people, and a majority undoubtedly trust him at the helm and are eager for him to continue in office another four years, health permitting.

This widespread, enthusiastic approval—borne out by all the public opinion polls—has confronted the Democratic opposition with a formidable problem in the presidential election campaign. At the summer conference of State Governors at Atlantic City, N.Y., several Democratic participants candidly admitted that Mr. Eisenhower, if his health allowed a second term,

would be unbeatable in their States. How to defeat, how even to attack with impunity, a man who rides so far above the storms of partisanship has been the Democrats' problem.

Indeed, at the Democratic national convention in Chicago in August the choice of presidential candidate was strongly influenced by the consideration: who could best make headway against the personal popularity of President Eisenhower? The thoughtful midroad Democrat with the scintillating rhetoric who was defeated by Mr. Eisenhower four years ago, Adlai E. Stevenson, favored an attack which would skirt the health issue but would play on the theme that Mr. Eisenhower was being a "part-time President" not because of doctor's orders but by personal inclination. He is, according to the Stevenson thesis, "shrinking" the institution of the presidency by turning so much responsibility over to his Cabinet and his team and by avoiding the leadership tactics and techniques which "strong" Presidents have wielded.

Governor Averell Harriman of New York, the "New Deal" candidate among the Democrats, one-time Ambassador to the Soviet Union and Secretary of Commerce in the Truman Administration, argued in favor of carrying the attack directly to the President, accusing him of failure to accept responsibility for actions of his appointees, charging him with being a well-intentioned person under the influence of strong-willed Cabinet associates. It was obvious that the Democrats, as the campaign gathered momentum, would employ both moderation and direct assault.

The most vital and most widely discussed issue of the whole campaign, no doubt, is the question of Mr. Eisenhower's health. No Democrat is likely to make a public speech exploring all of its implications. But wherever people have gathered, whether at a formal dinner party in Washington or before the drugstore on the village Main Street, the "health issue" has been discussed. Have two illnesses impaired the President's stamina? Will he have the strength to wrestle with the complex and urgent questions of State? Will he be able to avoid further incapacity in a second term of office?

The second illness that befell Mr. Eisenhower, an intestinal obstruction (ileitis) which required major surgery, was not such a shock to the American people as was the earlier heart attack. But the accumulated impact of two serious illnesses in a year, with Mr. Eisenhower to some degree convalescent in seven of the last ten months, has stirred a larger measure of apprehension.

Contributing to this is the fact that the medical profession has been of two minds regarding this relatively rare disease. While those who attended the President pronounce the prospects of a recurrence of ileitis to be minimal, in a person of his age, medical opinion elsewhere holds differently. The President's rather slow convalescence added to the concern.

On the other hand public opinion has been heartened by the picture of Mr. Eisenhower entering resolutely upon his White House duties after a brief convalescence at his Gettysburg farm, undergoing the arduous ceremonies of the Panama conference of Presidents, and preparing to participate actively in the autumn campaign. The health issue has not seemed to detract sufficiently from the President's popularity to render his re-election at all

doubtful. For some Americans, the illness has only increased their sympathy for "Ike".

### The Administration before the World

**E**LECTION prospects aside, how does the Eisenhower Administration stand forth to the nation and the world at the end of its four-year term?

One conclusion is widely recognized. Although Mr. Eisenhower has not succeeded in making over the Republican party precisely in his own image, he has succeeded in reorienting its thinking to an appreciable degree. Given a second term, he may be able to add to the numbers of "Eisenhower-minded" members of Congress, particularly in the Senate.

The liberal and "internationalist" Republicans who flew to Paris in 1952 to persuade General Eisenhower to resign from NATO and run for President had two objectives in mind. They wanted a "winner". And they wanted a candidate who would carry the party out of the reactionary, stand-pat posture which its largely mid-Western professionals had devised and which was proving to be anything but a recipe for victory at the polls. They found such a man in the friendly, army-bred, duty-inspired General who was an expert on world policy but had only the vaguest of notions of how domestic affairs are run.

But Mr. Eisenhower has a reputation for learning what he needs to know fast. Four years ago Democratic House Leader Sam Rayburn was telling the Democratic convention that the Republicans wanted General Eisenhower "because they want the same old Republican Party". If that is what they wanted, they didn't get it.

Under Mr. Eisenhower the Republican Party forsook its traditional isolationism. Secretary of State John Foster Dulles added Asian alliances to the United States' European ties. The promised fading-out of the foreign aid program was reversed, after a struggle, as the Soviet Union launched its new diplomacy of economic penetration. The President obtained at least a modest extension of the reciprocal trade program. Western Europe discovered that the Republicans under Eisenhower were not going back to isolationism after all.

If Washington now is toying with new concepts of a nuclear "Fortress America", which would mean thinning out its manpower contribution to NATO and relying primarily on America-based nuclear armaments, this pondering is not dictated by the ancient arguments of "go it alone" isolationism but rather by the modern defense potentialities of the nuclear age. If the retaliatory threat of long-range bombers and ocean-spanning ballistic missiles can keep the peace, there is less need for a thin line of ground divisions stretched across Western Europe. There is also the point that to maintain both nuclear weapons and conventional armaments places an insupportable burden on the American treasury.

Of course the isolationists cheer the possibility of military withdrawals from Europe and from overseas bases, but the arguments launched in Congress against the concept of a nuclear "Fortress America" are not that this is isolationism, but that it is unsound military doctrine.

On the domestic front the continuity of policy—from Democratic to Republican régime—has been rather striking. Whereas for decades the Republicans in Congress had condemned the New Deal, Fair Deal, social security and every phase of the welfare State, when the Republicans came to power under Eisenhower they did not repeal a single major New Deal measure. They altered Democratic policy on the farm front to a degree, and they introduced the “partnership concept” of federal and local participation for handling the great western electric power projects. On the social security front, coverage was actually extended to include more classes of individuals.

The Republicans also admitted that government has a role in nudging the economy upwards or downwards, as deflation or inflation may threaten. Secretary of the Treasury George M. Humphrey has used the tools of credit and taxation to keep the economy even-keeled with a dexterity which the late Lord Keynes would have applauded.

Despite the liberal Eisenhower legislative record, however, the Old Guard wing of the party is still strongly entrenched in Congress. The President has needed the support of Democrats to push through his reciprocal trade extension, foreign aid and many other “internationalist” measures. His Senate Leader, William Knowland of California, is a “Taft” Republican, selected for the post by that powerful conservative, the late Senator Robert A. Taft of Ohio.

Republican Senators and Representatives of all shades have been anxious to have Mr. Eisenhower stand for a second term. They are delighted to have his coat-tails available. But when they have been urged to support an Eisenhower-endorsed piece of legislation, such as the school construction bill or American membership in the Geneva trading agreement, many have looked the other way.

In some degree the President himself has allowed this to happen. He has not been a “strong” President in his dealings with Congress or the Republican Old Guard. He has never, as did Roosevelt, carried his case to the people in a “fireside chat”, building a fire under a recalcitrant Congress. He did not move strongly against Senator McCarthy, but rather left the censuring of his most malignant critic to the Senate. He did not endorse his highest-ranking supporter on the Senate Foreign Relations Committee, Alexander Wiley, when that Senator was seeking renomination at a hostile Republican State convention in Wisconsin.

Mr. Eisenhower’s concept has been that the President proposes and Congress disposes, not that the President cajoles and demands and brings the full weight of his authority and popularity to bear on Congress.

#### An Eisenhower Group

**I**F the Republicans do well in the November election, there may, for the first time, be an able “Eisenhower group” of Senators in the next Congress. If Governor Langlie of Washington State can win his race for Senator, if able John Sherman Cooper, Ambassador to India, can triumph in Kentucky, these plus a further handful would give the President the creative leadership in the Senate chamber which is now lacking. Meanwhile younger

men, favorable to Mr. Eisenhower, have been filling the ranks of State committeemen and other State offices within the party itself.

Thus the Old Guard is being thinned out to a degree, and some of its basic philosophies are fading. But party control by the "Ike-men" is by no means assured as yet. It will require another four years in power, with President Eisenhower vigorous and alert and supporting his kind of men and his brand of policy, if the Eisenhower or liberal label is to be indelibly affixed to the Republican elephant.

As an operating administration in Washington which has labored efficiently, effected massive budgetary economies and avoided displays of internal feud- ing and temper, the Eisenhower executive group deserves high marks.

General Eisenhower brought over from the Army his own special con- ceptions of how the presidency was to be managed. These included a chain of command, as in the Army, with responsibility firmly fixed all along the line, plus a chief of staff who should police all problems and handle all decisions below the top executive level. In the former governor of New Hampshire, Sherman Adams, an icily-efficient administrator with a spartan zeal for long hours, the President found his ideal chief of staff. By infusing his Cabinet and staff with his own passion for teamwork, the President built one of the smoothest-functioning Administrations that Washington has ever witnessed. During the 1952 campaign Mr. Eisenhower said that if elected he would bring the best minds in the country to Washington. His Cabinet, how- ever, has not been intellectually creative though it has been publicly dispute- less. A business-oriented group of men who are not exactly strong believers in "big government" does not think easily in terms of sudden strokes of new policy or imaginative foreign aid programs.

The President has made extensive and regular use of his Cabinet and of the National Security Council, composed of key Cabinet members plus top officials in intelligence, propaganda, defense and atomic energy, which was established by act of Congress during the Truman Administration to assist and advise the President in formulating high-echelon foreign and defense policy. But while the Council has labored manfully and the President, when well, has presided at its weekly sessions with discernment and dispatch, some of the Administration's most successful proposals in the foreign field have been developed not through the Council but independently by small working parties. This is true of the atoms-for-peace program for pooling atomic knowledge and the "open sky" or aerial inspection project for disarmament inspection.

Perhaps the underlying weakness of the Eisenhower Administration has been that, while Mr. Eisenhower himself is a man of imagination and ideals, possessed with a keen "sixth sense" of the national mood and a genuine discernment of global yearnings, he has allowed associates of limited vision to cheese- pare and limit his best intentions. His view that neutrality is not dishonorable was disputed by Secretary Dulles. His concept of a foreign aid program has been watered down by the very officials entrusted with ad- ministrating it.

Great credit goes to the President for the steps he has taken to reduce the



almost unbearable burdens of the Chief Executive. He has eliminated hours of form-filling, signature-affixing and ceremonial handshaking—tasks which can easily be shunted to the Vice-President or a presidential assistant. Future Presidents will thank Mr. Eisenhower for his impatience with the importunities and interruptions which afflict the daily White House schedule, and his efforts to find time for “thinking through” the vital decisions of war and peace. The United States is one of the few great nations that have required their chief executive to be a ceremonial figurehead as well as government leader and party chief.

Every new Administration in Washington has to spend months learning the art of effective government. With the Eisenhower team, this was particularly true in the field of foreign affairs. It began operations with a fine flourish of announced policy changes. Isolation was dead, but important innovations were in order. Some of these shifts succeeded, but others fell by the wayside when exposed to the harsh reality of world conditions.

The Administration did bring about the end of the Korean war, by threatening to enlarge the conflict if no truce was signed. It reduced the tension, which was at flash-point, in the Formosa Strait. It stepped back from the abyss of war in Indo-China and made way for the signing of a peace which reflected the realities of the French colonial débâcle in South-east Asia. But the Eisenhower Administration also held out promises of “liberation” of the Soviet satellites in eastern Europe, promises that merely turned out to be unredeemable election currency. And Secretary Dulles promulgated, with Pentagon assistance, a theory of atomic “massive retaliation” which on second thoughts was discovered to mean only that the United States would naturally strike back if hit by an all-out atomic attack.

However, at the Geneva “summit” conference President Eisenhower scored a mammoth personal triumph by exhibiting such sincerity and goodwill that global impressions of the United States as an atomic warmonger vanished and the Prime Minister of India, Jawaharlal Nehru, concluded that Mr. Eisenhower was a man of peace.

It is in dealing with the suprising shifts in Soviet policy since the Geneva “summit” that the Washington régime has seemed particularly to be without ready solutions or counter-measures. For a portion of this period Mr. Eisenhower has been convalescent and unable to preside effectively over policy formulation. And it is hardly surprising that counter-measures have not been easily apparent for some of the most perplexing Russian developments since the days of Lenin: the “thaw” in the Soviet dictatorship, the assault on the memory of Joseph Stalin and the Soviet economic offensive.

New policy to cope with Moscow’s “new look” is beginning to break through in Washington, but progress is slow in the midst of campaign considerations. A revised foreign aid program is of course a “must”. Efforts to revive and revamp NATO are under consideration. The guided missile program has been accelerated. Reluctantly the Pentagon has agreed to exchange an occasional general with Moscow—goodwill visits both ways are to be permitted.

But the general public, and even many members of Congress, have only a

limited conception as yet of the dimensions of the new Soviet challenge. The Administration is beginning to recognize that intricate policies must be developed to handle this more subtle Soviet offensive among the neutralists and the underdeveloped and undecided one-third of mankind. But the public has yet to be adequately alerted.

### The Appeal of Tranquillity

**N**O single observation can sum up the four years of the Eisenhower era. The picture is one of lights and shadows. In Dwight D. Eisenhower the nation has an avowed political amateur who is courted on bended knee by Republican Party chieftains. He is a war-time general whose reputation for peace causes the Kremlin to treat him with kid-gloved deference. He is an economic fundamentalist who, by the chance of good fortune and the cultivation of a climate favorable to business, has presided over the most astonishing business boom of the century. He is a public figure who has already given a lifetime of service to his country yet whose sense of duty persuaded him to stand for another exacting four years in the White House if health allowed.

Perhaps the simplest summing up of the Eisenhower Administration and the most fundamental explanation of the Eisenhower popularity lies in one short observation: the President has given the nation what it most wanted, to wit, a period of peace and moderation.

After twenty years of New Deal and Fair Deal, social experimentation and advance, after a world war and the Korean war, and after the McCarthy debauch, the country was ready for a time of tranquillity, a mood of moderation, a period of peace and accommodation. President Eisenhower, as much by his friendliness and his total lack of partisanship as by his policies, has symbolized moderation and goodwill. His most-remembered first-term achievement may be that he won the respect and quite often the affection of 165,000,000 fellow citizens.

United States of America,  
August 1956.

# NEW STATES OF AUSTRALIA?

## A MOVEMENT OF DECENTRALIZATION

WHEN the Commonwealth of Australia came into being it was contemplated by those who framed the Constitution that at some stage new states would be established in addition to the original members. Chapter VI of the Constitution made provision for their establishment.\*

Less than fifty years before the Federal Constitution was drafted, Victoria and Queensland had been separated from the parent state of New South Wales. At the time when federation was accomplished there were active demands for one or two new states to be carved out of the vast extent of Queensland. Elsewhere in Australia—and nowhere more than in New South Wales—there were other suggestions for new states. Some of them were founded partly on dissatisfaction with the boundaries that had been chosen for Victoria and Queensland. But the most powerful motives for new-state movements in general were—and continue to be—regional complaints of neglect or disadvantage and regional dissatisfaction with the political principles of governments functioning in the capital cities.

The advocates of new states confidently assert that vast advantages will accrue from partition. The regions in which new-state movements flourish commonly feel that their interests are neglected by governments sitting in the remote capital cities. In New South Wales there are persistent complaints that governments are preoccupied with the welfare of Sydney and the coastal strip that lies near it. The advocates of new states expect that, if their wishes were granted, their own regions would receive cheaper and more efficient administration than they have at present. They claim that public and private investment would be stimulated and, particularly, that public works in their regions would be vastly increased. They claim, too, that the development of Australia as a whole is being retarded by the inability and unwillingness of

\* The relevant sections are as follows:

121. The Parliament may admit to the Commonwealth or establish new States and may upon such admission or establishment make or impose such terms and conditions, including the extent of representation in either House of the Parliament, as it thinks fit.
122. The Parliament may make laws for the government of any territory surrendered by any State to and accepted by the Commonwealth, or of any territory placed by the Queen under the authority of and accepted by the Commonwealth, or otherwise acquired by the Commonwealth, and may allow the representation of such territory in either House of the Parliament to the extent and on the terms which it thinks fit.
123. The Parliament of the Commonwealth may, with the consent of the Parliament of a State, and the approval of the majority of the electors of the State voting upon the question, increase, diminish, or otherwise alter the limits of the State upon such terms and conditions as may be agreed on, and may, with the like consent, make provision respecting the effect and operation of any increase or diminution or alteration of territory in relation to any State affected.
124. A new State may be formed by separation of territory from a State, but only with the consent of the Parliament thereof, and a new State may be formed by the union of two or more States or parts of States, but only with the consent of the Parliaments of the States affected.

state governments to foster energetic programmes of regional development. Party politics often sharpen such complaints as these and historical factors, reaching back over a century to the time when the existing states were carved out, can also still be important.

By far the most important new-state movement in Australia has been that for the separation from New South Wales of a large part of its northern regions.

In 1922, following pressure from a significant body of public opinion expressed by New State Leagues and in regional conventions, the Parliament of New South Wales carried a resolution that a federal convention be summoned to consider the creation of a separate state in northern New South Wales. When this was transmitted to the Federal Government the Prime Minister, Mr. S. M. Bruce, as he then was, expressed the opinion that, in view of the provisions of the Constitution, there was no necessity for a convention. He added: "The first step which would appear to be necessary is that the Parliament of your state should affirm not only the principle that a partition of the state is desirable, but the terms thereof. . . ." Thereupon a Royal Commission, presided over by Judge Cohen, was appointed by the Government of New South Wales. After a long enquiry, it reported in 1925 that the creation of new states was neither practicable nor desirable. This decision was largely based on evidence that the establishment of new states would increase the costs of government and taxation in the proposed areas, and also on a belief that many of the benefits claimed by the advocates of new states could be obtained by an extension of local government and further decentralization in administration.

The Royal Commission on the Constitution in 1929 considered a great deal of evidence concerning the relevant sections of the Constitution. With the chairman and Sir Hal Colebatch dissenting, it recommended that the Constitution be amended to permit the establishment of new states even when the state parliaments concerned were unwilling.

Political and economic circumstances during and just after the great depression made the new-state movement more active. The Nicholas Royal Commission was appointed to consider whether there were areas in New South Wales suitable for self-government as states of the Commonwealth of Australia. Two areas were found by the Commissioner in 1935 to be suitable for such purposes, one of which comprised a section of the state, roughly triangular in shape, bounded on the north by the Queensland border, on the east by the coast to a point just south of Newcastle and on the remaining side by a line from the last-mentioned point to about the north-western corner of New South Wales. The Commissioner was not asked to pronounce on the *desirability* of new states, but merely on their practicability.

When the report of the Nicholas Royal Commission was presented, controversy arose in the northern districts because of his recommendation that Newcastle should be included in a northern state. Newcastle was a substantial industrial area and rural supporters of the movement feared its possible domination. The present movement, launched in 1948, has adopted a contrary view to theirs and welcomed the inclusion of Newcastle together

with the whole of the Hunter Valley. As a result the strongest individual branch of the movement now operates in Newcastle.

Public suggestions for a name for the new state were invited and, from a list of forty, "New England" was chosen by a substantial majority. Advocates of this name supported their choice on the grounds that New England was the historical place-name of an important part of the area and that its selection would also represent a tribute to "Old England".

THE ROUND TABLE\* has referred to recent developments of this movement. Since then the movement has engaged in experiments which are a tribute to ingenuity and resolution. Frustrated by the indifference of the Government of New South Wales, without whose approval separation is constitutionally impossible, and stimulated by the result of polls conducted in December 1953,† the leaders of the movement had decided to seek new means for the attainment of self-government.

Before 1954 the movement had adopted a draft state constitution which contained some novel features. This constitution proposed that New England should have a legislative assembly, elected by adult franchise and consisting of forty members—the number of members in the South Australian House of Assembly, representing a population approximate to that of New England. The original draft provided also for a legislative council, but subsequent revision eliminated the upper chamber.

Among other interesting features was the proposal that appropriate areas seeking separation from New England in the future might petition for a referendum. There were alternative methods for amending the Constitution—either by legislative decision followed by a referendum or by a popular convention at intervals of not less than ten years. As a device for decentralizing administration the Constitution proposed that the parliament should devote at least 10 per cent of its tax revenue annually to local governments, which were to become administrative agents of the state.

### A Constituent Assembly

**I**N a statement to a convention at Armidale in February 1954 Mr. Ulrich Ellis, a former secretary to Sir Earle Page of the Country Party and an active supporter of the new-state movement for over twenty years, urged historical justification for the establishment of a provisional assembly of New England as a step towards the creation of a wholly elective representative assembly. Proposals suggesting the creation of a constituent assembly were endorsed by a convention at Inverell in December 1954, and the assembly held its first meeting on February 17, 1955.

The convention decided that the assembly's policy should be aligned with the draft constitution and approved a body of not more than forty members. The original ten were elected by the convention and the assembly was given the right to co-opt up to the limit. Since then an additional six have been

\* See THE ROUND TABLE, No. 175, June 1954, p. 302.

† The polls were conducted by or with the approval of twenty local government authorities in the proposed State of New England, coincidentally with the local government elections of December 1953.



added and the assembly has adopted the rule that the choice of new members must be unanimous.

The assembly was charged with the duty of devising means for the election of a representative assembly and, with the approval of a convention, to proceed with the organization of an election on the basis of adult suffrage. A select committee on electoral affairs has also presented a preliminary report, and the desirability of attempting the election of a representative assembly (to coincide with the triennial elections for local government councillors and aldermen at the end of the present year) is to be discussed at this year's annual convention.

Other functions of the assembly are to seek the regular exchange of views between all northern authorities, seek the exploitation of northern electric power potential, devise schemes for flood mitigation, water conservation and irrigation, investigate a plan for the decentralized administration of New England, and seek the attraction of development capital.

At the assembly's inaugural meeting, the sponsor of the original proposal, Mr. Ellis, said:

This is not an orthodox legislature and therefore our methods must be improvised according to necessity. But it is a constitutional body with no authority to usurp the function of any other constitutional body. We may do things not prohibited by the Constitutions of the Commonwealth or New South Wales. The Constitution does not prohibit the lawful assembly of citizens for such purposes. We are legally entitled to meet. We have full power, for example, to conduct a referendum of the people of New England. We have adequate legal power to organize an election of members of a representative assembly, though we have no legal power to compel citizens to vote. We have full power to deliberate upon and pass our own Acts. We have no legal power to compel citizens to carry out the terms of such legislation. But we can ask the legislature of New South Wales to re-enact our legislation to give it constitutional force; and in certain cases we can, through the co-operation of New England citizens, carry out the terms of our Acts where there is no law or constitutional provision to the contrary.

The assembly proceeded to elect a Speaker, and to adopt parliamentary forms of procedure based on the report of a standing orders committee. It decided that its first responsibility was to clarify the legal steps to statehood and ultimately adopted "A Bill for an Act to enable the people of New England to form a constitution and seek admission as a State of the Commonwealth of Australia". As no precedents under the terms of the Federal Constitution exist—no new states having been created since the Commonwealth Constitution came into being—the assembly's first "Act" is an interesting historical document. It adopts the Nicholas boundaries, names the new state as New England and proposes that, as a beginning, the Parliament of New South Wales should affirm its support in principle for the desired separation. It provides for the election of a constitutional convention and outlines proposed machinery for the allocation of assets and liabilities between the original State and the new, and the method of bringing the legislative assembly into existence after the new state has been admitted to the federation by Act of the Commonwealth Parliament.

The measure was subsequently sent to the Premier of New South Wales with a request that it be introduced as a Government measure. This the Premier declined to do.

### Industry and Finance

OTHER "legislation" passed includes an "Act" for the establishment of a New England Development Corporation of three members to seek the location of new industries in the area and to attract private capital. Sir Earle Page has been appointed Chairman and the two other members are the President of the movement (Mr. P. A. Wright) and the Hon. L. B. Saddington, M.L.C., a Newcastle business man. Another "Act" outlines a system of emergency flood relief which has also been sent to the New South Wales Government as a model for action, and at recent meetings attention has been given to a "Bill" for the establishment of research foundations in river valleys.

By far the most difficult problem faced by the constituent assembly is an attempt to devise the machinery for the partition of assets and liabilities. The draft constitution of New England proposes that the work should be undertaken by a tribunal appointed by the Commonwealth under an agreement with the state. A draft scheme has been circulated giving effect to this provision and proposing the terms of an agreement to permit it to operate. A comprehensive document entitled "Financial and Economic Issues Relating to the Formation of a New State" has been compiled and circulated to facilitate discussion. Financial partition has been regarded by opponents of the new state as the "lion in the path" but the constituent assembly takes the view that, despite indisputable difficulties, the matter can be solved by a combination of goodwill and practical common sense. The document quotes the financial separation of India and Pakistan, described as a much more complex undertaking, which in the face of necessity was completed in seventy-two days. It also recalls that, a century ago, the Commission established to allocate assets and liabilities between the new Colony of Queensland and New South Wales did not meet, the reason given by the document being that New South Wales found that it had gained substantial benefits from the development of Queensland which followed separation.

During the initial discussion of the draft legislation to clarify procedure the constituent assembly considered various alternative formulae for the settlement of the question. It adopted the following:

"That all assets and liabilities in existence at present date be apportioned by applying the 'production income' method and that all future assets and liabilities be apportioned by following accepted accounting principles, the necessary accounting and statistical information to be obtained by requesting the Federal and State Governments to alter their book-keeping methods to allow accurate regional statistics to be compiled."

The "production income" method is based on the principle that "if a new State area has an income from production equal or superior to the income of an existing State, then that new State area has an equal or superior capacity to support the responsibilities of self-government". On figures supplied by

the New South Wales Government Statistician, New England had an income from production of £229 million in 1952-3, which was £4 million greater than South Australia, £66 million greater than Western Australia and £156 million greater than Tasmania. This basis conforms generally to the opinion expressed by the Nicholas Royal Commission that "each new area should take over such a proportion of the total liability of New South Wales as the wealth of the area bears to the total wealth of New South Wales".

### The Movement in Queensland

IN recent times there has been a resurgence of interest in North Queensland where, at a Convention at Mareeba on the Atherton Tablelands in August 1955, a New State for North Queensland Movement was launched. The movement has been greatly in the news but is devoting itself to basic organization, though its representatives have indulged in several verbal duels with the Premier, who has expressed his opposition. Nevertheless, in recent years the Liberal Party of Queensland has joined with the Country Party in advocating the creation of new states. These two Queensland parties pledged themselves to take active steps to establish a North Queensland State if elected to office, but the Labour Government has been returned at the last two elections since this pledge was made. The First Annual Convention of the North Queensland Movement will be held later this year and more active steps are contemplated.

Though interest in the new-state movement has manifested itself in the Riverina (southern) districts of New South Wales and in the southern districts of Western Australia, in recent years it has not been strong. In 1948 the Premier of Victoria proposed officially to the Government of New South Wales that the south-eastern sector of Australia, comprising parts of each State, should be established as a new state, but New South Wales demurred.

It is of interest that when the Australian Institute of Political Science held its Spring Forum at Armidale in October last the subject was "New States for Australia". The specific problems considered were the need for new states, the particular proposals for the New England area, the economics of new states and the method of their creation. It is beyond the scope of this article to refer to the details of the somewhat inconclusive debates. Many speakers expressed the view that the coming into existence of any new state is a remote possibility so long as the present sovereign rights of states under the Constitution are formally retained.

In a paper written by Dr. Evatt, the Leader of the federal Opposition, it was stated:

The policy of the Australian Labour Party does not exclude the formation of New States. . . . In a recent study of New States, Mr. Calwell (Deputy Leader of the Opposition) considered that the power to create New States or provinces should be vested in the Federal Parliament without regard to existing State Boundaries and without reference to the State Parliaments.

Since 1918 the Australian Labour Party has advocated that unlimited legislative power should be vested in the Commonwealth Parliament. Presumably,

the states, whether new or old, would be left with no more than delegated powers in respect of regional matters.

### A Committee on the Constitution

AN important development was the creation earlier this year by the Commonwealth Parliament of an All-Party Committee to review the Constitution with a view to securing inter-party agreement on necessary alterations. The proposal was announced by the Prime Minister in his 1954 policy speech, in which he nominated Chapter VI of the Constitution, dealing with the creation of new states, as one of the topics for consideration. Such a committee was also supported during the 1955 elections by the Leader of the Opposition.

Its appointment is regarded by the new-state movement as a result, to some extent, of its own activities, since the Grafton Convention of 1952 called upon the Commonwealth Parliament "to establish an All-Party Committee to study the Federal Constitution with a view to its revision in the light of half a century's experience, by a popular convention". Among the topics suggested by the Grafton Convention for consideration by the proposed Committee was "the simplification of the procedure for the creation of New States to achieve the extension of decentralized government, administration, population, industries and finance". The member for the federal electorate of New England (Mr. D. H. Drummond) took the initiative some years ago in creating an informal All-Party Committee on Constitutional Reform comprising members of the Liberal, Country and Labour Parties.

The Constitution Revision Committee consists of the Prime Minister and the Leader of the Opposition, *ex officio*, and twelve members, of whom four are Senators and eight are from the Lower House, the Government and the Opposition having equal representation. The Attorney-General, Senator Spicer, is Chairman.

The Prime Minister, in the resolution to Parliament, described the purposes of the Committee as follows:

To review such aspects of the working of the Constitution as the Committee considers it can most profitably consider, and to evoke recommendation for such amendments of the Constitution as the Committee thinks necessary.

It is impossible at this stage to assess, with any degree of confidence, the likely outcome of this Committee's deliberations. It does, however, afford the new-state movement an opportunity of having removed from the Constitution one of its greatest obstacles, namely that the consent of the parent state is indispensable.

If this stumbling-block is removed, it remains to be seen whether the Commonwealth Parliament itself will welcome the formation of new states. Delicate financial and political questions would be certain to arise. The Commonwealth might well hesitate to disturb or alter the already complicated pattern of State and Commonwealth relationships. No doubt the path of the new-state movement would be the easier if the Constitution were amended in the way that has been indicated, but the consent of the Commonwealth Parliament would still be necessary for the establishment of each new state and it might be very difficult to obtain.

# UNITED KINGDOM

## THE GOVERNMENT AND INFLATION

THE main themes of domestic politics in this quarter have remained unchanged. The Government has continued to wage its day-to-day war on inflation by the methods that the Budget had already made clear, and the slow process by which the parties are adjusting themselves to the political circumstances resulting from the last general election has continued. A Commonwealth Prime Ministers' Conference has passed uneventfully, but the perennial preoccupation with Middle Eastern affairs has lately become intense with the announcement of the Egyptian Government's decision to appropriate the Suez Canal Company. At the moment of writing, however, foreign policy continues to produce only a small impact on party divisions at home. Here the great dividing line continues to be economic policy. One side issue which has cut across parties but has been endowed with enormous importance by all engaged in discussing it, the hanging controversy, has entered on a new phase with the rejection by the House of Lords of the Bill to abolish hanging for murder. This occurred on July 10, after a debate in which the talents of the Lords were impressively displayed. It had for long been expected that legal opinion as represented there would treat the Abolition Bill with the uncompromising hostility it showed to a similar measure some years ago. As a result, the Government is placed in a curious constitutional position similar to that with which Mr. Ede had to contend when he was at the Home Office. It is now widely felt that something must be done and that the Government cannot remain merely uncommitted. The debate in the Commons and that in the Lords seemed to show that a compromise measure would have some chance of success, and it is widely hoped that the Government may have the courage to introduce one. There will be a lull before the second round of this controversy begins, however, and the party debate about finance and economics will resume its former monopoly of that part of public attention which is given to Home affairs.

The Budget had contained no novelties except the premium bonds scheme, which gave the Nonconformist conscience the occasion for a modest frolic but did not seriously embitter the party battle. Mr. Macmillan's claim that he proposed to save £100,000,000 of public money this year was followed in early July by the announcement of cuts amounting to £76,000,000. About £50,000,000 is to be saved at the expense of the defence programme and the remainder by various minor measures of civil economy, such as an extra penny on school meals and a small saving on prisons. It is generally agreed that defence should permit of some saving; the assumption that the armed forces are given to wasting money at all times is deeply rooted, and there is now a vague but widespread feeling in addition to this that the "new strategy" arising from nuclear warfare should be much cheaper than the old. It is clear, however, that the defence cuts make no radical difference to



defence policy at present and indeed that no great saving would be possible without much planning done in conjunction with allies. The small sums saved on civil expenditure were also in the nature of paring: it has been obvious for some time that school meals are too heavily endowed and equally obvious that more money ought to be spent on prisons. The Chancellor of the Exchequer has had little scope for ingenuity within the framework set by the principle inherited from his predecessor, that the structure of the Welfare State must be kept intact though prevented from making fresh demands on the public purse.

It has become steadily more obvious that all along the line Mr. Macmillan is merely applying the well-established principles of what has come to be known as Butlerism. The essence of that policy is the use of the Government's control of credit to reduce or increase the pressure of demand on supply in an effort to combine the advantages of a high and stable level of employment with the avoidance of inflation. At times when prices show a tendency to rise and exports a tendency to diminish, the Government imposes restraints upon home consumption by discouraging lending, but these restraints are not pressed so far as to entail slump and mass unemployment. All this imposes on the Chancellor of the Exchequer and his advisers the need not only for a day-to-day observation of trends in the economy, of a degree of nicety which must strain the most expert statistical minds, but also the need to predict in a field where there is no certainty. The common complaint against Mr. Butler last autumn, which in retrospect became a complaint against Mr. Butler in April 1955, was that he had predicted wrongly, or to be precise that his choice between the prognostications offered to him by the financial astrologers had been unduly influenced by political considerations. This may or may not have been so, but no essential change either in the direction of policy or in the means of policy was brought about when Mr. Butler left the Treasury. All that happened was that we moved again into a period of financial restraint, similar in respect of the weapons employed to the various periods of restraint which he imposed earlier in his tenure of office but which in those days had to be made compatible with an expanding programme of government expenditure in such fields as housing, over which in those days Mr. Macmillan, then in the guise of Father Christmas rather than Samuel Smiles, presided.

The new period of restraint has borne fruit: the gold and dollar reserves increased in April by more than 50,000,000 dollars and exports reached record proportions in June though, unhappily, increased imports actually widened the trade gap during that month.

The real index of the Chancellor of the Exchequer's success is the cost of living. If the trend towards higher prices cannot be stopped, British exports will decline and no amount of fiscal manœuvring will be able to prevent mass unemployment. On the other hand, a high and stable level of employment such as is at present enjoyed tends inevitably to large wage demands and a consequent increase in the cost of production. At the end of May, this, Mr. Macmillan's worst dilemma, became still more acute when the Coal Board crowned another year of financial failure with an announcement that it

proposed to increase the price of coal. The natural effect of this will be to stimulate a general rise in prices and this in turn would of course stimulate a fresh series of wage demands. It is still uncertain whether these consequences will follow; if they do, there can be no doubt that the Government's economic policy will be wrecked. Accordingly, it has become a matter of desperate urgency for the Government to persuade employers and unions to restrain themselves during the next few months. The belief is that if the price and wage lines can be held until Christmas production will have increased enough to justify relaxation of the extreme restraints on spending. The Government has secured promises of support in this from some employers' associations, but many unions, including the miners' union, continue to refuse to give any promise of restraint.

### Mobility of Labour

THE problem of price maintenance, however, like that of wages, is fraught with complications. There is a strong general case for keeping wages and prices down, but there are equally strong particular cases for increases. This is not merely or primarily a matter of justice; the function of the price mechanism and of the wage structure is to adapt supply to demand. There are important industries like the steel industry whose prospects of expansion are being hindered by their inability to finance new capital expenditure out of profits. The economy must be mobile; industries upon which the nation's future depends must be enabled to attract capital and labour from industries which may be satisfying needs that the community cannot afford to satisfy. In a completely free economy these adjustments would be brought about at the cost of instability and considerable spasms of unemployment; the question is how they can be brought about in a way consistent with the Government's general social policy.

With regard to mobility of labour, the Government, in the quiet and competent person of Mr. Iain McLeod, the Minister of Labour, may claim to be doing more than has been done before. At the end of May a combination of factors in the motor industry began to produce considerable local unemployment. This was only in small part due to what has come to be called automatism, that new and barbarous name having been given to the perennial process in all industrial civilizations by which machines come to do the work previously done by men; the main cause on the contrary has been the decline in foreign demand brought about by the competition of cheaper foreign producers and the decline in home demand brought about by the official restraints on hire purchase. It is desirable that the motor industry should produce less for home consumption, and should either prove itself capable, largely by economizing on labour costs, of competing effectively with foreigners, or, failing this, greatly curtail its production, which has been so dramatically enlarged since the war. The atmosphere of the economy at present no longer shelters the industry from these harsh truths. Accordingly, dismissals or the substitution of part-time for full-time engagements have continued. The dimensions of this unemployment must not be exaggerated; in the first four months of the year several important industries like coal-

mining increased their labour force by a total of about 14,000, to be set against a decline of 43,000 in the labour force of several other industries like motor manufacture; the total figures of employed were down by only about 17,000 and there was no increase in the registered unemployed, the difference being accounted for by withdrawals from the labour market as a result of such things as early retirement or such factors as the retirement from work of married women. What has happened since then has not much changed the picture, outside a few places like Birmingham. This unemployment is not a disaster; in principle, it is a victory for the Government's economic policy, which aims at making labour mobile.

The question is how these necessary fluctuations in employment can be humanely and efficiently managed. How can they be prevented from ruining individual lives and how can unemployed labour be rapidly resettled where it is most needed? For the first time, the Government is asking these questions seriously: the Minister is making strenuous and successful efforts to improve the services of the labour exchanges, so that jobs preferably near home will be found for the unemployed men. A still larger question has been raised: at the end of July, fifteen trade unions called a strike against the British Motor Corporation. Originally, the object of the strike seemed to be the essentially unreasonable one of protesting against the dismissal of men for whom there was no longer any work, but it later moved on to new ground and the complaint was put forward that the men had been dismissed with only 48 hours' notice. The demand that workers should receive a reasonable period of notice or reasonable compensation instead of notice has many supporters, and is understood to have the sympathy of the Government and more especially of the shrewd and enlightened Minister of Labour. The employers, on the other hand, assert, no doubt in their capacity as exponents of the doctrines of free enterprise, that this burden should be borne for them by the Government. Some observers are speculating about whether the trade unions may now turn their energies away from demanding increased wages towards demanding more reasonable security of employment; if they did this, their activities would become less harmful and would begin to excite sympathy among many Conservatives. Meantime, however, the implications of the motor strike are grave: the organized power of the trade union movement could make the mobility of labour impossible and by so doing could banish any prospect of economic recovery.\*

### South Kensington Revolution

**A**MID all these transactions, the Government is becoming very unpopular indeed. That it should become unpopular with its opponents is not surprising, but it is becoming unpopular among its supporters. There is a new political phenomenon which is humourously described as the South Kensington Revolution, the insurrection of the salaried and middle classes against what they think to be milk-and-water socialism. A voluntary associa-

\* Happily this particular strike ended on August 10 with an agreement including the sensible provision that dismissed men who had been employed for three years or more should be compensated, and with an arrangement for local inquiries into the possibility of re-employing some men.

tion has been formed to promote the interests of this minority which lacks the power imparted by trade union organization, and its founder members brought their children to witness the ceremony of institution, which took place in a committee room at the House of Commons. It was not surprising that the Conservatives lost ground in the local elections in May, but they lost heavily at two by-elections, at Tonbridge and Newport respectively, in June and July. At Tonbridge certainly the main reason for the landslide which converted a safe seat into a marginal seat was the abstention of these salaried people and small proprietors. They are the natural leaders of the Conservative Party in the constituencies, and they are all extremely angry. They had expected to be rewarded handsomely for their efforts in bringing the Conservatives back to power with an increased majority in 1955; they had put up with the Government's tactful policies between 1951 and 1955 on the tacit understanding that they represented the anaesthetic which humanity and prudence required to be administered to organized labour; they felt that in 1955 the patient was well and truly under and that the operation should begin in earnest; if he came round before it was complete he would not constitutionally speaking be in a position to kick until 1959 or 1960, by which time he would be sufficiently restored to health to feel nothing but gratitude for the surgeon. It was a beautifully simple plan of action, which proceeded on the naïve assumption that public opinion and the opinion of the trade unions in particular can be ignored between elections. The Government never had any such plan of action; when they said they wanted to make the economy work with full employment, difficult though the operation might be, they meant it. For these reasons, substantial Conservatives in the country—retired people with small fixed incomes, harassed small industrialists and grave bank managers—are perplexed, disheartened and disposed to a sullen neutrality, which receives a semblance of patriotism from the additional complaint that if the Prime Minister is weak with trade unionists he is also "namby-pamby" in his dealings with Arabs. When Disraeli bought the Suez Canal for Queen Victoria he remarked, "Madam, you have it." The disgruntled Conservatives feel that the message continually borne by his successor to the fount of Empire may be accurately summarized as "Madam, you've had it." So the impression that the Government is lacking in virility at home and abroad, an impression which in connexion with home affairs derives from a combination of ignorance with sorely tempted avarice and in connexion with foreign affairs from an undue simplicity of mind, daily grows, and is not entirely offset by Sir Anthony Eden's occasional attempts to make the policy of masterly inactivity look vigorous by quoting the war-time speeches of his great predecessor in the context of the financial crisis.

### The Labour Party

**A**LL this should encourage the Labour Party, which is busily engaged in restating its principles. The essentials of its task are clearly seen thus: it has learnt that the electorate has no liking for compulsion; hence, the surprising appearance of a number of Socialist M.P.s, notably Mr. Crossman, in the rôle of critics of bureaucracy, a rôle that they filled with a degree of

enthusiasm which did honour to the memory of Sir Waldron Smithers, followed almost immediately by the appearance of the first Socialist policy statement on Personal Liberty, which confirmed the party in its newly found liberalism while avoiding committing it to anything specific. These preliminaries discharged, the party has gone on to face the problem of how to be egalitarian while not being authoritarian, an issue that is faced or, to be exact, evaded, in the second policy statement on Equality. The party rightly recognizes the appeal of the idea of equality to a large section of the electorate, but it has been forced also to recognize, though the policy statement fails to be explicit on this point, that economic equality can no longer be promoted by fresh taxation. Therefore, it has been driven to take refuge in the suggestion that vast sums of wealth are annually concealed from the Treasury and to propose a more vigorous onslaught on tax evasion and tax avoidance. It is clear that very little improvement in the welfare of the average wage-earner could be effected by more efficient tax gathering, and most of the party's proposed reforms under this heading are put forward with the *caveat* that they may be impracticable. However, the disputes of Sir Bernard Docker with the Birmingham Small Arms Company and the colourful activities of Lady Docker have given some popular appeal to this otherwise dull subject. The attack on hereditary wealth is also a profitable electoral line, and this assumes a new form in the suggestion that the Government should be enabled to take over shares in companies instead of exacting death duties; critics have been quick to observe that this is merely a plan for extending nationalization without the express consent of Parliament, and to point out that the new Socialism would appear closely to resemble the old Socialism. Finally, a pamphlet on Colonial Policy has expressed a general preference for freedom and self-government without materially adding to the general stock of knowledge and ideas on this complicated subject. The party has been relatively free from internal dissensions, and it seems a long time since anyone was expelled or re-admitted; everything points at present to the probability of its winning the next general election, but chiefly as a result of dissatisfaction with the Government. As the last general election was lost to Labour by the abstention of habitual Socialists, so, it would seem at present, the next may be lost by the abstention of habitual Conservatives, *plus* general irritation on the part of former Socialist abstainers. It is here, not in the succession of peculiarly uninspiring leaflets that are now being issued in pious memory of the early Fabians, that Labour's hopes lie.

It is important to remember that in both Home and Foreign affairs an immense area of solid though tacit agreement exists between both parties. In Home affairs, it takes the not very satisfactory form of a general reluctance to choose between unpleasant alternatives of policy, but the positive side of this is agreement on the broad objectives of social policy. In relation to foreign policy it takes the form of broad acceptance by the Opposition of the Government's aims. The inconspicuous work of the Commonwealth Prime Ministers in London, for example, the chief results of which were useful agreement on bases in Ceylon, a resolution to encourage British investment in the Commonwealth overseas and arrangements for the proper



representation of Central Africa in the Prime Ministers' counsels, were noted with satisfaction by all parties. Certainly, whatever the Prime Minister may find it in his power to do to defend British interests in the Suez will not be resented by most Socialists, as it would have been in the past, as a prostitution of foreign policy to the service of capitalist interests.

Great Britain,  
August 1956.

#### NORTHERN IRELAND

FOR one that has known power so long the Government of Northern Ireland has begun to exhibit some strange aberrations. Its mishandling of rent restriction has already been recorded\* though it is fair to say that here it was attempting an overdue reform; in the case of the Family Allowances Bill, which embittered the summer session of Parliament, something worse than lack of judgment was involved. The Prime Minister was finally prevailed upon to retrace his steps, or rather those of the Minister of Labour and National Insurance, but by that time the damage to the Government's probity and good sense was done and will not easily be repaired. At its best this episode can be accounted for by the Minister's political immaturity; at its worst it has a taste of intolerance of which Ulster has cause to be ashamed. The Unionist Party, for all its electioneering agility and administrative success, still has much to learn of the art of statesmanship and the fostering of what it so familiarly calls the British way of life.

It is by this latter token that Northern Ireland throughout its lifetime has observed a policy of "step-by-step" with Great Britain in social services. For 35 years every cash benefit, unemployment insurance, pensions, national assistance, has been maintained on exactly the British scale; in other services the case is met by a formula known as parity. In this manner also family allowances have been distributed on the national basis of 8s. a week for every child after the first, and when the Chancellor of the Exchequer in his Budget in May introduced an increase of 2s. a week for each child after the second it was accepted that Northern Ireland would do likewise. The Minister of Labour, Mr. Ivan Neill, whether or not inspired by a new-found will to exercise devolutionary powers, preferred to vary the principle for the first time in his party's history. Under the Social Services Agreement expenditure in Northern Ireland and Great Britain must be kept in balance. He proposed that the amount available, about £600,000, should be spent on an increase, not of 2s. to every child after the second, but of 1s. 6d. to the second and third children only. Observing that in Ulster the majority of large families are Roman Catholic, this proposition was clearly open to a charge of discrimination. Mr. Neill sought to contend that his method purposed to benefit a greater number of families, 104,000 against 57,000, but he was answered, perhaps unwittingly, when the British Minister of Pensions and National Insurance told an English audience that "in all sections of society people with large families are conspicuously worse off in material things than their neighbours".

\* See THE ROUND TABLE, No. 183, June 1956, p. 264.

Mr. Neill's proposals, bearing as they did the stamp of Cabinet sanction, met with disapproval from most of the Unionist press, notably the increasingly independent *Belfast Telegraph*, and from the Nationalist minority. The grounds for protest were self-evident. To Roman Catholics the variation was unjust: to liberal-minded Unionists it was injurious to Ulster's reputation for fair dealing and a dangerous threat to the whole principle of "step-by-step". Surprisingly, however, only a few M.P.s were disturbed, and at a meeting of the Unionist Parliamentary Party at which a free vote was conceded Mr. Neill carried the day. Looking back, it was at this moment that the harm became serious: it left not only the party, but its leader, Lord Brookeborough, tarred with a suspicion of malice that many had hoped was disappearing from the political scene. The Bill accordingly went forward for second reading, its back-bench opponents still limited in number, and was within an hour of its formal adoption when the specific section was withdrawn and a promise given that the British scale would be substituted.

This reversal at last revealed Lord Brookeborough in command. On the same day he learned the view of the Unionist Parliamentary Party at Westminster that the alteration was not in Northern Ireland's best interests and the order to stop the debate was hastily dispatched by telephone. The Prime Minister had until then betrayed a characteristic failure to supervise his Ministers and to make good the deficiencies in their judgment. Of his success as Northern Ireland's figurehead and spokesman, and in welding together by his personal popularity its many diverse pro-British elements, no criticism can be made; but as director of domestic policy he has too often been neglectful of his responsibilities and been carried too far by his subordinates. Yet these faults do not explain his failure and that of his more moderate colleagues to perceive that the Family Allowances Bill as first drafted, no matter how well intended sociologically, would never pass the scrutiny of those in Ireland and Great Britain who are ready to believe that in Northern Ireland intolerance is rife and any stick is used to beat the Roman Catholic back. It is from this point of view that the episode is so disturbing. Even if discrimination was not in the mind of the Minister of Labour it cannot be denied that his intention not to benefit large families was widely welcomed by Unionists (the parents of large families among them) as a counter to the growth of the minority and a rebuke to those who flourish on State aid. To these it does not seem to have occurred that such treatment was shabby in itself, contrary to the welfare of the children themselves, and a weapon to arm their own enemies. And on such evidence it is apparent that there are still in the Cabinet men who believe that Nationalism must be combated, and if possible suppressed, rather than that the Constitution should be prolonged and safeguarded by convincing the Roman Catholic minority of its advantages. This division in the Unionist mind is a weakness aggravated by recurring outbreaks of Republican violence and by the despair felt by many Protestants of ever reaching a *modus vivendi* with the Irish Roman Catholic Church. On the experience of 35 years of self-government, however, it is abundantly clear that Nationalism now exists in little more than name and that the mass of its sympathizers have no wish to vote themselves into an Irish Republic

in which their standard of living would suffer a rapid and calamitous decline. How far these are ready to share in the material development of Northern Ireland remains indeterminable, but there is some reason to hope that a passage is being made from hostility through quietism to co-operation. But such progress is not assisted by the motives behind the original Family Allowances Bill, nor will it be hastened until the Unionist Party machine decides that it can win elections on the moderate support of both sides and not the extreme element of one.

In the year that has passed since the economic situation was last reviewed in THE ROUND TABLE\* important advances have been made. The offensive against unemployment has passed to the Development Council, a non-statutory body set up jointly by the British and Northern Ireland Governments and led by a vigorously practical industrialist in Lord Chandos. The advantages of this step are primarily that the Council acts as a salesman in Britain and the United States (which Lord Chandos visited in May) for Ulster's advantages, its labour reserves, State facilities and subsidies. The new-industries drive has always lacked such direct contact with the market on which it relies and the benefits of a full liaison between the Ministry of Commerce in Belfast and the Board of Trade in London. Under Lord Chandos there is now a confident hope of making contact with a larger number of industrialists: already the Chemsrand Corporation of the United States has plans to lay down a £3,500,000 plant at Coleraine, Co. Londonderry, for the manufacture of new synthetic fibres. Lord Chandos is able to say that it is an anomaly that in a time of labour shortage in Britain, Northern Ireland should have a surplus, but his reference is less applicable to the present, for all that 25,000 persons are out of work, than to the increase in working population shortly to arise from the high war-time birth-rate. Unluckily the Council's first impact has lost some of its effectiveness owing to the "credit squeeze", which has caused firms contemplating expansion to hold up their plans. At the same time financial restrictions are less stringent in Northern Ireland itself, the Chancellor of the Exchequer having recognized the need to persist in the effort to overtake its arrears of economic and social development. This policy continues to be successful and is strongly reflected in the Budget presented by the Minister of Finance, Mr. George B. Hanna, in May. In this revenue reached the record total of £93,712,000 with a surplus in the form of an Imperial Contribution of £12,500,000. Mr. Hanna could declare: "Our prosperity has developed in recent years at a pace greater even than that of Great Britain." These facts are distinctly encouraging: in ten years time Northern Ireland may well have eliminated its leeway and raised itself to the national level of production and wealth. This quickening rate of material enrichment, whatever else it may bring in its train, can hardly do other than reinforce Partition, a fact that begins to be realized as the Irish Republic is confronted by the financial crisis discussed in the following pages.

Northern Ireland,  
August 1956.

\* See THE ROUND TABLE, No. 179, Sept. 1955, pp. 268-71.

# IRELAND

## DEPOPULATION

WE have just been confronted suddenly with our most serious—and perhaps insoluble—problem. The census taken last April shows that the population of the Republic is now 2,894,822, having *fallen* by 65,771 since 1951. This is the lowest figure ever recorded, and comes after thirty-five years of self-government. A decline has taken place in every province, although in Leinster, owing to the octopus-like growth of Dublin, it is negligible. In the inter-censal period 1951–56 the number of people who emigrated from the Republic was 200,394, or an average of 40,000 a year. This is the highest proportion of emigrants per thousand of population since the decade 1881–91. Even in the terrible years following the Famine of 1846 the average yearly emigration from the same area, of which the population was then  $6\frac{1}{2}$  millions, was only 98,000. It therefore seems that, so long as present trends continue, two out of every three children born in the Republic must eventually emigrate. The corresponding figure for the same area in the first half of this century under British rule was one in three. No other country in the world, not even those ravaged by war or pestilence, suffers such a haemorrhage. What is the cause of this tragic situation and what is the remedy?

### The Causes

THE question is easy to ask but not so easy to answer, for the causes are many and the remedy drastic. The root cause of this flight of our people has been the failure of successive governments to realize that agriculture is our basic industry on which our prosperity depends. Almost equal in importance has been our failure to develop a full and satisfactory rural life. There has been a complete failure to realize the educational needs of a rural community faced with the challenge of the demands made by modern technical development on an agricultural society which is still substantially at a pre-industrial stage of evolution. The meeting of such a challenge postulates a vigorous educational programme, adult, liberal and vocational. So far both Church and State have refused to undertake this necessary work. Lacking that sense of values which only a suitable education can give, our country people have naturally sought what seemed to them the freer and wider life offered by the “bright lights” of foreign cities. Dominating all has been the Anglophobia of our political leaders, who have consistently refused to recognize that the British Isles constitute a natural economic and social unit, and that as such they must stand or fall together. Half a century ago, in November 1905, Arthur Griffith, the founder of Sinn Féin, enunciated the doctrine that has been our undoing. An agricultural nation, he said, was like a man with one arm who has to make use of an arm belonging to another person,

whilst an agricultural-manufacturing nation was like a man who had two arms of his own. Free Trade, he maintained, was the enemy that Union with Great Britain had admitted within the gates; it could be defeated only by national freedom and the power that would give to protect Irish industry.

Griffith was a disciple of Friedrich List, a nineteenth-century German economist best known for his attack on the Free Trade doctrines of the classical economists and his attempt to prove that tariffs were necessary to protect infant industries in agricultural countries. List's advocacy of almost unlimited protection provided an ethical justification for the appetite of vested interests by combining them with State support. It is now clear that Griffith's diagnosis—which has since the establishment of the Irish State been the basis of our economic policy—was neither complete nor accurate. Under a Free Trade system we had during three generations built up a flourishing export market in both agriculture and industry, and that foundation should have been strengthened and developed before an almost unlimited protection of industry was embarked on. It is an obvious economic truth that in a predominantly agricultural country industry depends on a prosperous agricultural community and cannot stand alone. As was almost inevitable Griffith's half-digested economic doctrines inspired our new political leaders. At first cautiously, during Mr. Cosgrave's administration, and eventually without restraint, under Mr. de Valera and his imitators, a policy of complete and reckless protection for native industry was put into operation. The results are superficially impressive. Since the establishment of the Irish State the average number of industrial workers has doubled and the industrial output has quadrupled. But there is another side to the picture, which the statistics also disclose. Between 1926 and 1946 the number of male workers engaged in agriculture fell by 76,000, and between 1946 and 1951 by a further 62,000. Between 1950 and 1953, owing to exhaustion of the supply, the yearly rate of decrease fell to 16,900. The number of female workers who left the land is not included in these figures, but it may be confidently stated that they are at least as many as the male. In some parts of the west of Ireland a marriageable girl is hardly to be found. In short, for every extra worker in industry two have been lost to agriculture, and, while at least two-thirds of our new factories enjoy high protection at the expense of the farmer and the consumer, very few of them cover the cost of their imports by their exports. Mr. Dillon, the Minister for Agriculture, has recently announced with pride that our cattle population is increasing. It would be well for him to remember Goldsmith's famous warning. The "pull" exercised by the Irish abroad on our people at home is rather a fruit than a cause of emigration: the inevitable result of previous emigration. It seems clear that no increase of population, nor even the maintenance of present levels, is likely to take place as the result of a further development of a top-heavy industrial arm which can only lead to the enlargement of our already overcrowded cities. *Dublin Opinion*, our humorous monthly, displays on the cover of its current issue a contour-map of Ireland bearing a placard which reads—"Shortly available UNDEVELOPED COUNTRY, unrivalled opportunities, magni-



ficent views, political and otherwise. Owners going abroad." Underneath is the caustic caption "Out of our Census"!

### The Remedy

WHAT is the remedy for this sad situation? Mr. Costello, the Prime Minister, platitudinously tells us that greater output and an improved standard of living is the only solution; the trade-union leaders demand that urgent measures be taken to increase capital expenditure and establish a national planning council; Dr. Lucey, the Roman Catholic bishop of Cork, a member of the recent commission on emigration, while recognizing that the neglect of agriculture has been disastrous, objects to the mechanization of farming and advocates the increase of small uneconomic holdings. Only two years ago he objected to the vocational education of our rural youth between the ages of 14 and 21.\* The remedy is not to be found in any of these directions alone. A more realistic approach involving a complete change of policy and mentality is essential. Our politicians if they really want to stop emigration must face the facts. They must first realize and admit that these islands are complementary to one another and that policy must be based on that relentless truth. Close co-ordination of effort and purpose with Great Britain is, therefore, essential, whatever loss of political face may be involved. In fact such a policy would in no way affect our political independence, for we should only be accepting with good grace what we now have to recognize with bad grace. A good example of this ostrich-like outlook is afforded by the fact that it has taken the present Government nearly two years to accept the proposal of an Anglo-American oil combine to erect an oil refinery on Cork Harbour which will reduce the cost of our imports and involve the expenditure of £12 million—the largest sum yet invested in a private enterprise here. In the second place we must develop agriculture not merely as a craft but as a vocation. A sense of its dignity and importance, a wider culture and brighter existence, must be made the basis of our rural life. Such a policy will involve a system of adult education on a national scale and a complete recasting of our very defective educational system, at present based on nationalism gone mad. In such a work public organizations like the trade unions, the Young Farmers' organizations, and last but not least the churches, must play their part. The influence of the Catholic Church would be decisive in this matter. Something has already been done by Muintir na Tire (The people of the Land) an organization founded by Canon Hayes—a far-seeing country priest. There is unfortunately no quick way to stop emigration short of the impossible method of prohibition. Only a patient long-term policy courageously and consistently pursued can achieve results. But its implementation requires a statesman and unfortunately no such person is apparent. It may now be too late for anyone to undo the damage already done.

### The Economic Position

OUR troubles are unfortunately not solely demographic. The economic background to this decline in our population, as sketched by Mr. Sweetman, the Minister for Finance, when introducing the Budget on May 8, is

\* See THE ROUND TABLE, No. 177, December 1954, p. 66.

far from pleasant. The balance of trade was, he said, deteriorating, savings had declined in spite of increases in money incomes, consumption was out-running production and it was becoming difficult to raise adequate capital for local and national development. Moreover, an analysis of last year's external trade deficit of £35 million showed a substantial decline in our normal current surplus with Britain. That deficit had been financed almost entirely by the realization of external assets by the commercial banks. Coupled with this loss of external assets was an estimated fall of 2 per cent in the volume of agricultural output, particularly exports of meat. Industrial production on the other hand had shown a rise of 2½ per cent over 1954. Salary and wage increases during the year were for the most part greater than the increase in retail prices, but, unless productivity also increased, these increases could not, he said, endure. In 1955, for the first time in many years, the deposits in the commercial banks fell by £13 million. These figures were closely related to the rise in consumption and the over-spending on less essential imports. The rise in the national income was, Mr. Sweetman said, altogether a reflection of higher wages—a purely monetary affair—there being no increase in production. In a year when total production had not risen at all personal consumption had risen by 7 per cent. Personal savings were only half those of 1954. This was all the more serious because our saving in relation to national income was not high at the best of times. World prices are beyond our control, but, as Mr. Sweetman pointed out, this does not make them less of a problem, and we must face the fact that every rise in world prices increases our trade deficit and threatens our standard of living. We can meet this threat only by producing more, particularly for export. On the whole Mr. Sweetman showed both wisdom and courage in facing these unpleasant facts, and his decision to balance the Budget, while it involved the unpalatable remedies of increased taxation on tobacco, petrol, matches, betting, table waters, and dances, cannot be questioned. As a result of the special import duties which he imposed last March imports fell by £5½ million during the first five months of this year; but, owing to a fall of £6 million in exports, largely due to reduced prices for agricultural produce, the trade balance is still deteriorating.

On July 25 Mr. Sweetman announced in the Dail increases of 22½ per cent and 15 per cent on the present import levies of 37½ per cent and 25 per cent preferential rate (United Kingdom and Canada) imposed last March on 68 classes of goods. At the same time he introduced a fresh series of import levies of 37½ per cent and 25 per cent preferential on many other imported commodities. These combined import levies effect some £36 million of imported goods. Other measures announced to redress the balance of payments deficit, which the Minister described as a matter of grave national importance, were a reduction of 25 per cent in the basic travel allowance of £100, and a proposed reduction of £8 million in state expenditure. Mr. Sweetman disclosed that the commercial banks had lost two fifths (£30 million) of their external assets since January 1955. He made it clear that if any further action were required the Government would not hesitate to take it. "What is at stake", he said, "is our economic independence. If we should lose this the

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political independence we have achieved would be a mere façade. The Government are determined that both will be preserved at all costs." As the trade deficit is now running at £36 million, and the present levies are calculated to reduce imports by only £3½ million between now and next March, it seems certain that much more drastic action will soon be necessary. The Government has somewhat illogically chosen this moment to create a new, and quite unnecessary, department for the fast vanishing Irish-speaking districts and is apparently contemplating the creation of an equally unnecessary airport at Cork.

### Political Prospects

**I**N face of these economic difficulties it is not surprising to find that the Government has lost ground, as is shown by the result of the three recent by-elections. In Dublin North East, although the hereditary principle triumphed in the election of Mr. Patrick Byrne, son of the previous deputy, the redoubtable "Alfie", the inter-party vote fell by 10,000. In Leix-Offaly, a midland constituency, the Labour (inter-party) candidate, Mr. Michael Davin (also a son of the previous deputy) was defeated by the Fianna Fail candidate, Mr. Egan. This result may no doubt be explained by the reluctance of Fine Gael voters to support a Labour candidate. At the Cork City by-election on August 2 the Government candidate was decisively defeated and Fianna Fail retained the seat. Only half the electorate voted.

Our admission to U.N. has raised uncomfortable questions for the Government, who can no longer maintain their former attitude of detached indifference to international affairs. Mr. Liam Cosgrave, the Minister for External Affairs, inherits much of his distinguished father's shrewdness and common sense, and he has no illusions as to our position. He is well aware, to use his own words, that "the basic Soviet objective remains the same, to divide as far as possible the free countries of Western Europe and to divorce them from the assistance and influence of the United States". "We must", he added, "be eternally vigilant and have no illusions if we are successfully to defend and maintain our Christian civilization and our way of life." He has made it quite clear that, although we must maintain the pretence of military neutrality owing to the existence of Partition, we are not and cannot be neutral in the issue between Communism and democracy. In short neutrality is not enough. That he takes our new responsibilities seriously is proved by the appointment of our leading diplomatist, Mr. F. H. Boland, until recently Irish ambassador in London, as our representative at U.N. As regards Partition he is equally sensible, recognizing that "it admits of no quick and easy solution and that the first step lies in more neighbourly relations between the two sections of the Irish people". Mr. Costello has just told the Dail that America will not interfere between Great Britain and this country in this matter. In short we are at last beginning to face the fact that Partition is a problem that can only be settled in Ireland by Irishmen.

Ireland,  
August 1956.

# NEW ZEALAND

## THE LEGISLATURE

IN July 1950 Mr. Holland as Prime Minister introduced a Bill to abolish the Legislative Council, and this became law. Twice previously private member's Bills in his name had been defeated, and his predecessor as Prime Minister, the late Mr. Fraser, had seen the Statute of Westminster adopted and a Joint Parliamentary Committee in session to consider proposals for an alternative body before Mr. Holland's second attempt. In introducing his final Bill Mr. Holland quoted from his party's election manifesto, which claimed that the Legislative Council had failed as a revisory body but added that the National Government would examine alternatives. Shortly afterwards both Houses appointed new committees, all members being drawn from the Government side, the new Labour Opposition having carefully dissociated itself from what was being done. When it finally reported, this committee made a proposal for a Senate of thirty-two members, proportionately appointed by the leaders of the parties or groups in the House of Representatives, to hold office for three years (the same term as in the lower House) and to be eligible for reappointment. There was to be no opportunity for "swamping", a practice which had been considered one of the defects of the Legislative Council; there was to be a power to delay legislation for up to two months in order to ensure adequate time for expression of public opinion; and there were proposals designed to ensure that the new Chamber should actually be a useful element in the Legislature.

The first positive duty of the Senate was to deal with Bills in the traditional way, but with power to send a message saying that the Senate could not accept a Bill or part of it; then to be able to negotiate or compromise, subject to having to send the Bill for assent at the end of two months. Next the Senate was to have the power to initiate legislation, and to deal with money bills subject to the traditional qualifications. A final interesting proposal was that the Senate should relieve the House of Representatives of the work of the Statutes Revision Committee, the Local Bills Committee and the two Committees on Public Petitions. Without abrogating the functions of the Courts it was also to watch exercises of delegated legislation and draw attention to want or excess of authority.

No consideration appears to have been given to this thoughtful report, and Parliament still functions without a second Chamber, the Prime Minister and other Ministers insisting that no satisfactory form of Chamber has been found. No other safeguard has been provided against hasty, unwise or ill-considered legislation; no instance of this has really roused the electorate, but many people see a classic instance of it in the Indecent Publications Amendment Act of 1954, which was passed as a result of what the legislature regarded as extreme popular concern, and which in effect entrenched literary censorship in the very position from which the United Kingdom was then retreating.

Meanwhile New Zealand is open to all the dangers of unicameral legislative methods; it is virtually impossible, with strict caucus control, for a Ministry to fall in the House, and to add to this security of tenure there is some agitation for an extended term of Parliament.

The Speech from the Throne in early April forecast a light legislative programme, and indeed the first part of the Session provided little more than the traditionally discursive floundering of the Address-in-Reply debate and an uninformative foreign affairs discussion; and the House gave the Prime Minister no very clear indication of its views to guide him at the London Conference of Prime Ministers.

### Grasslands

THE Prime Minister has visited Japan with one particularly interesting result: the proposed secondment of a grasslands expert, whose services should be particularly valuable in Hokkaido, to Japan. New Zealand is perhaps pre-eminent in grassland research and practice; the fertility of the soil is one of Japan's major preoccupations; and this is one respect in which a small country, without much expenditure of its own funds, can give help to a more heavily populated one.

The problems affecting our own country are of course those of a rapidly expanding economy, and all major developments require to be dealt with in the light of the Government Statistician's statement that "at our present rate of increase we will double our numbers in thirty-two years"; in other words, by 1988 our population will be not two million people but four. New Zealand is one of the most rapidly growing communities in the world.

Being still primarily dependent for our existence on the top inch or so of our soil we must, to survive and prosper, ensure that the quality and the quantity of our primary products will be developed to meet these new requirements, that our internal economy remains sound, and that our overseas marketing arrangements are the best possible.

As to the first, keen attention is being given to the twin problems of pests and erosion, and positive measures are being taken to improve the quality of our grasslands and bring marginal land into production. The New Zealand Meat Producers' Board has made substantial advances to topdressing firms to buy modern aircraft for aerial topdressing and for spreading poison bait for rabbits.

Particularly in New Zealand's hilly and inaccessible high country aerial topdressing and allied operations have brought about something of an agricultural revolution. In 1949 seven operators with 49 aircraft distributed 5,003 tons of fertilizer, but in 1955 sixty-six operators owning 475 aircraft distributed 404,933 tons. In the last five years, according to the Chairman of the New Zealand Meat Producers' Board, more than 750,000 tons of phosphate have been distributed by aircraft on hill country, a task roughly equivalent to  $1\frac{1}{2}$  million man-and-packhorse days, and enough to raise the carrying capacity of 7 million acres from one to two sheep an acre. Total



improvements through aerial topdressing and similar operations are put at about £25 million to date.

### Trade Agreements

THE pattern of our export trade was comprehensively dealt with in a recent article from New Zealand\* and in spite of market fluctuation there has, in the brief period since it was written, been no major change in the prosperous situation there shown. Questions of protection and preference remain basic, and our concern with the future of the Ottawa Agreement and of the General Agreement on Tariffs and Trade, within the terms of which signatory countries adhering to Ottawa must operate, is very real. The Australian assault on Ottawa will, no doubt, provide considerable material for discussion among the Commonwealth Prime Ministers. The task of sorting out new rates of preference within the pre-1947 margins safeguarded by G.A.T.T., a task inherent in framing any agreement to replace Ottawa, would be formidable. It might at least help the United Kingdom in her desire to rid herself of remaining bulk-buying arrangements. Wool, Australia's biggest export, stands on its own feet in world markets. It is the limitation placed on the choice of markets by the preferential agreements that causes Australian dissatisfaction. Our own quarrel is not so much with the existence of the Ottawa Agreement as with its detail and application: margins of preference, the threat from Argentina, and so on. For us the agreement has been a useful bulwark, and our concern, in face of expected Canadian disinterest and some Asian reluctance, must be to see that if it is demolished another, equally sound, is erected.

### Power for Industry

BUT while we depend primarily on our farming community New Zealand's industrial production is not negligible. The total for 1954-55, with some few exclusions but including work done on our own primary products, was £550.7 million, an increase of 11 per cent. Materials accounted for £365.3 million, leaving an "added value" or net output of £185.4 million. The Minister of Industries and Commerce has recently drawn attention to the need for still further expansion because of the growth in population.

The power necessary to turn the wheels of New Zealand's industries is primarily hydro-electric, and demands increase faster than the country is able to keep pace with capital development. A drought usually causes power restrictions, and although one new station after another is being completed, with in addition a coal-fired station under construction to deliver 60,000 kW. by 1958 and 160,000 kW. by 1959, supply never keeps pace with demand. A Cook Strait cable to equalize supply between the two main islands has been discussed and may prove to be a practicable possibility.

The Government is committed to and has in hand a very big hydro-electric capital programme, but scientists are tentatively suggesting that even now nuclear energy is not so much more expensive to produce than hydro-electricity, and advances in this field are extremely rapid. Comparisons of

\* See THE ROUND TABLE, No. 182, March 1956, p. 196.

costs have been undertaken by both leading physicists and the management of the State Hydro-Electric Department, but no joint survey has been made and there is disagreement about the probable relative costs of supplying the country's requirements by these two means. The Government has shown a marked reluctance towards committing itself to any plans in respect of nuclear energy until it can feel assured that whatever is done will be both effective and economical. A period of purchase from overseas for use within New Zealand may prove to be the wisest method of introducing the new medium. The press is fairly uniformly of opinion that we must "look to the atom" for our power requirements, and existing arrangements for co-operation with the United Kingdom, Canada and other countries were late in June supplemented by an agreement with the United States under which New Zealand will, on request, receive on lease for use in a research reactor up to 6 kg. (13.2 lb.) of contained U. 235 in uranium enriched up to a maximum of 20 per cent U. 235. One useful result of this arrangement will be that New Zealand will have her own scientists in training against future developments.

### Tariff Review

WITH both exports and imports in view New Zealand approaches the question of agreements on tariffs and trade; like all other signatories to the present General Agreement she has agreed to remove unnecessary and unfair protection, and there is some obligation upon us, as on other countries, to review tariffs from time to time.

Not premature from this point of view, and from some internal aspects long overdue, is the tariff review which has recently begun—New Zealand's first in twenty-three years.

There is some political significance in this review, which is part of the Government's policy to move finally from import licensing, introduced in 1938 to conserve funds rather than to protect manufacturers, to import duties. With the rate of population increase already referred to it is obviously desirable and inescapable that secondary industries should develop; the Board's task is to determine which industries, in the interests of the whole community, are worthy of protection, and to what extent. Although there is provision for extension to the review, the conclusions will, it is hoped, be available by the end of the year, and in the light of the possibility of amendments to the General Agreement or to the Ottawa Agreement the Government is wise to equip itself with this information. Moreover, it is obliged to notify the hard core of "bound items" in connexion with such agreements: the residue in respect of which it is intended that import licensing shall still operate.

### Finance

IN a previous issue\* reference was made to the large number of votes polled by a third party, the Social Credit Party, which came out at the last election. In an effort to provide beacons to keep the ship of state on a safe financial course the Government subsequently set up a monetary commission

\* See THE ROUND TABLE, No. 178, March 1955, pp. 198, 201.

with wide terms of reference, requiring it to have regard to the general objectives of (a) the fostering of a greater degree of stability in prices, (b) the maintaining of full employment of labour, (c) the ensuring of the healthy development of natural resources and (d) the promoting generally of the economic, financial and social welfare of the people of New Zealand. The commission, after lengthy public hearings and examinations of submissions, reported on April 19. The report provides a review of economic conditions since the last investigation in 1934, pointing out that the principal strains apparent today are those resulting from the buoyant export and other incomes enjoyed during almost the whole period, combined with the major social reforms undertaken. Monetary, banking and credit systems are comprehensively examined and the conclusion is reached that the failure to achieve balance between private and public savings on the one hand and capital investment on the other, together with the expansion of banking credit and the taxation policy of the Government, is at the root of New Zealand's inflationary problem: a problem, nevertheless, which is heavily influenced by overseas factors. The Social Credit case and other proposals were carefully examined and flatly rejected on the merits; some sound advice was given on the control of bank credit, while among a number of important recommendations were proposals for the gradual freeing of interest rates from control, for easing of restrictions on capital issues and for the establishment of a short-term money market. It was bluntly stated that overseas exchange reserves should be built up during the period of high export prices, and that, in the event of balance-of-payment deficits, imports should be reduced. The Government should itself assume a good deal more responsibility for credit, and the revision of Reserve Bank policy was commended.

Price supports, the Report stated, should be used to level out the extreme fluctuations in farming returns, but the Commission disapproved of price supports based on no more than an alleged cost of production. Amounts withheld should not be funded to form the basis of any subsequent expansion of credit.

Overseas borrowing should not be resorted to unduly while export prices are high, but some dollar borrowing might be appropriate, and there would be advantages in having short-term credit arrangements with the United Kingdom for times of general recession. It was recommended that New Zealand should apply to join the International Monetary Fund and the International Bank for Reconstruction and Development. New organs were recommended to be set up: an Economic Advisory Council and an Economic Research Institute; and a more exact and specific determination of the relation between the Government and the Reserve Bank was recommended.

The document is impressive, and particularly in its robust examination of the pros and cons of mild inflation and in its recommendations for the future it is one that makes use of the mistakes of the past to point the lessons of the future.

From the immediate electoral point of view the examination may not have succeeded in answering the question of why so many votes were cast for social credit at the last election—the submissions made to the Commission

were in some respects markedly at variance with the earlier political presentation—but it nevertheless held up the fabric of social credit as an economic theory to the light and found it to be threadbare.

The "credit squeeze" and other measures already taken by the Government to check inflation were described in the March article,\* and a summary to date was given in the last issue.† On June 12 the Minister of Finance, Mr. Watts, was able, in a financial review, to describe progress as satisfactory. An effective stopper has been clamped on to soaring bank overdrafts, the drain on oversea funds is checked and imports are lower. Whether the measures have been adequate will be seen when export figures become available. The Minister's course has been consistent, and he has more than once spoken of possible further measures, including perhaps even further economies on capital works.

The Government's objectives are to reduce the pressure on labour and material resources within the country, and to reduce pressure on oversea funds by reducing the demand for imports. The policy, described as one of "steady does it", has met with remarkably little opposition when reactions to methods adopted in earlier situations of this kind are recalled.

In June the Government opened a £10 million internal loan on realistic terms and with a short-term alternative. The loan has got away to a good start. The Minister has so far had no real trouble over his general policy, although here and there a newspaper raises its voice to suggest that he has been wielding a sort of Morton's fork to accumulate unnecessarily large sums of money—with the one prong taxing heavily to finance the capital programme, and with the other stimulating people to save and invest so that they can lend to the Government for the same purpose.

Whether these whisperings will assume the dimensions of any real body of antagonism to the Government's measures, so successful thus far in their declared objects, will no doubt become apparent when the budget has been read in August and the next moves are named.

### Antarctica

THE suggestion of the Leader of the Opposition, Mr. Walter Nash, that a United Nations trusteeship be set up over the whole Antarctic continent has received a good deal of support in spite of the obvious practical difficulties. Several countries, including New Zealand, will have expeditions in Antarctica during the International Geophysical Year in 1957-58, and the number of permanent bases will in time inevitably increase. The establishment of bases naturally leads to territorial claims, and this is a matter upon which the Commonwealth might advantageously determine upon a common policy.

New Zealand,  
August 1956.

\* See THE ROUND TABLE, No. 182, March 1956, p. 201.

† See THE ROUND TABLE, No. 183, June 1956, p. 297.

# PAKISTAN

## TOWARDS A GENERAL ELECTION

**M**INISTERIAL crises in both the wings of Pakistan, and speculation on the likely changes in the composition of the Central Cabinet, have followed almost in the wake of the proclamation of the Constitution. In West Pakistan the Muslim League has gone into the wilderness following the resignation of its representatives in Dr. Khan Sahab's Ministry. In East Pakistan the President's rule had to be imposed, although for one week only, to sanction financial provisions for the province, since the Speaker did not allow the Budget to be presented and adjourned the Assembly *sine die*. The formation of Dr. Khan's Republican Party has led to the defection of more than a dozen members from the Muslim League Parliamentary Party in the National Assembly and the Prime Minister, Mohammad Ali, finds himself in the unhappy position of being the leader of the minority party in the League-United-Front coalition at the Centre.

Those who had glibly thought that the proclamation of the Constitution would provide a panacea for all the political maladies of Pakistan have been rather dismayed at these developments. They had hoped that from March 23—the Constitution Day—onward the leadership of the country would undergo a complete metamorphosis so that it would be guided by national considerations alone. Their error was to underrate the lust for power. But where they have erred most is in linking the Constitution with such developments.

Far from being a contributory factor to the present political situation in the country, the Constitution in fact provides the only way out of this dismal drama of power politics. Now that it has been enforced general elections will have to be held sooner or later, when the people will have, at long last, a say in choosing their own representatives. The sceptic, bearing in mind the caprices of popular sentiment, may shrug his shoulders and ask whether universal suffrage in Pakistan, where almost 80 per cent of the people are illiterate, can provide the right sort of representation for the country. To go deeper into the question will be indulging in political theorizing, and the only answer can, therefore, be that a people will err for some time but not for all the time. What is most important is that with the general elections a beginning will have been made, when the elected representatives of the people will no longer be able to ignore public opinion with utter impunity and will to that extent be restricted in their mad pursuit of self-aggrandizement.

It was early in April that things started moving, with abrupt suddenness, in the western wing of the country. There were few who could have hoped that the West Pakistan Ministry, as it was then constituted, could hold together for any length of time. The Ministers owed no allegiance to any political party and subscribed to no political programme. Each of them was in the Ministry because of his influence with one or the other group of the



M.L.A.s. The ambitions of every individual Minister were in direct proportion to the size of the group whose support he enjoyed. As such there was wide room for mischief, and if certain Ministers suddenly became over-zealous Muslim Leaguers it was simply in the hope that the formation of the Muslim League Parliamentary Party in the Assembly would swell the number of their supporters. Till that time the Muslim League was the main component of the League-United-Front coalition at the Centre, and the expectation was not unnatural that those M.L.A.s who were hitherto sitting on the fence might throw in their lot with the League.

There were other factors that tended to give hope that in case a Muslim League Parliamentary Party was formed in the provincial legislature it would command an absolute majority. With the assumption of its presidency by Sardar Abdur Rab Nishtar, the League had set itself in earnest to purge its ranks of the "black sheep". It had adopted a "get-tough" policy and had taken disciplinary action against certain important Leaguers for not carrying out its instructions. But its fatal blunder was the failure to realize the grim fact that party loyalty in West Pakistan, at least, was a dream. It is all very well to adopt a "get-tough" policy so far as an individual or an organization has the means to enforce its decisions. The Muslim League was certainly in no such position and had precious little inducement to offer for the people to remain in its fold, even at the expense of their personal political gains.

The League made yet another blunder. It rather foolishly minimized the rôle Dr. Khan could play. As the Chief Minister, he was in an effective position to claim a good deal of support from the members of the West Pakistan Assembly. And that is what actually happened. As a result the Muslim League has suffered heavily and has become a cumbersome structure with no props to support it.

The formation of the Republican Party was widely acclaimed throughout Pakistan. This was not because the Republicans offered the country any radical programme for the welfare of the people—the party's manifesto has yet to be issued—but because of the general disillusionment with the Muslim League. Here was an ideal opportunity for Dr. Khan Sahab and his partisans to serve the best interests of the country. What Pakistan has hitherto grievously lacked is a dynamic political party which could rally the people around it and be in a position to run the administration for the greater good of a greater number of people. Unfortunately, however, the doctor and his supporters were so incensed with Muslim League manoeuvres to overthrow them that they took an extremely myopic view of the general situation in the country. They wholly concentrated their attention on the immediate objective—to save the Ministry from being voted out in the Assembly.

### Need for a Liberal Party

**T**HERE could be no doubt of the importance of such an objective. But there can be no gainsaying that with the general elections in the country not far off the more important, though relatively distant, objective was to organize the party in such a manner as to earn the confidence and support of

the people. Had that been done none could dare doubt that the Republicans would be in an unassailable position both at the Centre and in West Pakistan, if not in East Pakistan, after the general election. What has unfortunately happened is that the Republicans have proved no better than the Muslim Leaguers, and have resorted to the same tactics for mustering support and keeping themselves in office for which the Muslim League was accused and lost the enthusiastic and unreserved support of the entire Muslim population of Pakistan.

It was only for a very brief period, immediately after the partition of the sub-continent, that Pakistan had in the Muslim League an organization that could serve as an effective link between the administration and the people. But the League soon lost contact with the masses, for the rank and file of its membership fell out amongst themselves and revelled in the vicious circle of power politics.

The new parties that were formed later on—mainly in East Pakistan—proved no different from the Muslim League. They found their *raison d'être* in hatred for the League. Hate is a great propelling force and the various parties in East Pakistan combined together to inflict an unbelievably ignominious defeat on the Muslim League, so that it existed only in name. But in the ultimate analysis one cannot build on hate, as is shown by what is happening now in East Pakistan. The United Front Ministry has so miserably failed to give a proper administration to the province, and the food situation has been so badly handled, that near-famine now prevails in the province, and the army has had to step in to make black-marketeers and profiteers disgorge their illegally acquired food stocks and so help alleviate the food shortage.

Of late the view that the emergence of another political party in Pakistan is inevitable has gained further currency. Although the Prime Minister denied that he gave any interview to a Pakistani correspondent wherein he revealed his intention of forming a new party, knowledgeable quarters in the capital still persist in believing that, if the Prime Minister is assured of sufficient support, he will not hesitate to take such a step. Recent reports published in prominent papers credit the former Governor General of Pakistan, Mr. Ghulam Mohammad, with having similar ideas.

Whether these new organizations, in case they are launched, will function differently from the present political parties remains to be seen. But there can be no doubt that the crying need of the hour in Pakistan is a party with a liberal and enlightened programme for the country, capable of attracting not only the masses but also the intelligentsia. It is ultimately the intelligentsia that will carry and interpret the party programme to the common people and rally them round the new organization.

It often happens that in the face of more immediate problems vital issues are relegated to the background. The opposition to the integration of provinces and states in West Pakistan is a case in point. The "one unit" is a great and thrilling experiment, which above all aims at eradicating the evil of provincialism from Pakistan. The people have rightly expected that with its formation all possible attention will be given to creating a greater

homogeneity of outlook and action among the entire people. But political manœuvrings have left no time for attending to this important task. The result has been that once again opposition is being voiced against the integration and, because of the absence of a popular political organization, mushroom parties are fanning provincial feelings.

In the face of such strong regionalism in Pakistan, and now on a more considerable scale in India and elsewhere, it is tempting to ask whether the talk of Afro-Asian nationalism is not mere wishful thinking.

During the next one or two months important political developments are expected in Pakistan. The provincial assemblies have to give their verdicts on the vital issue of joint or separate electorate before the National Assembly can take any final decision in this regard. Lacking such a decision no effective steps can be taken to hold general elections. Already the task of the delimitation of the constituencies has been hampered. But in any event the National Assembly must meet before the end of October. The Constitution makes it obligatory for it to meet at least once in six months. It will be interesting to see how it paves the way for holding the first general election in Pakistan since its creation.

Pakistan,

August 1956.

# CANADA

## A BITTER SESSION

THE longest and most acrimonious session of Canada's Federal Parliament in many years is now in its closing stages, and it will leave a legacy of extreme bitterness between contending parties and issues certain to bulk large in the next Federal election, which is expected in 1957. The Government's legislative program contained few measures of major importance, most of its items being Bills for the improvement of existing statutes. A Bill not in this category authorized the Federal Government to pay 50 per cent of the cost of relief of the unemployed when their number in any Province reached 0.45 per cent of its population. Through the whole session the Opposition were in a militant mood, and they were particularly aggressive towards Mr. Campney, the Minister of National Defense, when he submitted his estimates. They challenged his optimistic account of the result of the program of rearmament and the state of Canada's defenses by citing contradictory statements of two distinguished soldiers, General Simonds and General Macklin, who since their retirement have been engaged in a campaign to educate the Canadian public about the inadequacy of their defenses. The St. Laurent Ministry was never in any danger of defeat, but it emerges from the session with its prestige in the country badly impaired; and for this damage the primary responsibility lies with Prime Minister St. Laurent, whose apathetic leadership of his party in Parliament suggested that he was feeling the burden of his years and was very tired of political warfare. Up to the Easter recess he only made one speech of any significance; and when he intervened forcibly in the latter part of the session with a decision about the fate of Mr. Beaudoin, the Speaker of the House of Commons, he infuriated the Opposition and provoked denunciations of his action by most of the leading Liberal newspapers. By contrast Mr. Drew, the leader of the Progressive-Conservative Party, won popular favor by his vigorous defense of the right of free discussion in Parliament; and he had the novel experience of finding an invaluable ally on this issue in Mr. Coldwell, the leader of the C.C.F., who differs from him on most issues.

In June a bitter controversy about a pipeline, designed to bring some of Alberta's huge stores of natural gas to eastern markets, was responsible for the most disorderly scenes that have occurred in the Canadian Parliament for many years. A plan sponsored by a corporation called Trans-Canada Pipe Lines Ltd., which is controlled by three large American gas and oil companies, found favor with the St. Laurent Ministry after long negotiations. While it had the solid support of the Liberal and Social Credit Parties, it was objectionable on many grounds to the Progressive-Conservative Party and the C.C.F., who sank their differences to form a firm alliance for defeating the Bill through which the Government sought authority to give it financial support. This measure committed the Federal Treasury to lend up to 80 million dollars at 5 per cent interest towards the cost of the construction of the prairie sec-

tion of the pipeline between Princess, Alberta and Winnipeg and the terms of the corporation's agreement with the Government prescribed that, if it failed to repay the loan in full by April 1, 1957, the Government could buy out the interest of the shareholders, assume possession of the completed portion of the line and make its own arrangements to build the rest of it. The Bill also authorized the creation, in partnership with the provincial government of Ontario, of a Crown agency, which would build at an estimated cost of about 130 million dollars the least profitable section of the line running through the sparsely populated region of Northern Ontario. The provincial government of Ontario undertook to furnish up to 35 million dollars of this sum and the balance was to be provided by the Federal Treasury.

The case of the Government for their policy was that, since Trans-Canada Pipe Lines had purchased the necessary right of way, contracted for the requisite quantity of 34-inch pipe, which was very scarce, and had concluded agreements with eastern customers for the sale of its gas, it was the only organization that was in a position to start the construction of the line this year, and that both the city of Winnipeg and the Province of Ontario were in urgent need of gas to avert a serious shortage of power. Ministers also claimed that their agreement with the corporation fully protected the country from financial loss and that the operation of the line would be effectively controlled by the authority which the government of Alberta and the Federal Board of Transport could exercise over it.

But the two parties opposed to the scheme contended that the expenditure of so much Canadian public money to help a corporation that was controlled by powerful American interests to gain possession of such an important artery in Canada's economic structure was utterly unjustifiable; and the result would be a strengthening of the already firm grip upon Canada's economy which the United States had secured. They wanted to know why the taxpayers of Canada had to supply financial assistance to American companies, whose combined assets amounted to about 300 million dollars, for undertaking a project that ought to be a purely Canadian enterprise. Mr. Drew demanded an explanation of the Government's refusal to give serious consideration to the alternative plans of three Canadian groups and argued that, before the Bill was passed, the policy about the pipeline should be referred to a special committee of the House. Mr. Coldwell for the C.C.F., as a Socialist, denounced the Bill as a disgraceful surrender to the demands of greedy American capitalists, and advocated that the pipeline should be built and owned by the State, and eventually the Progressive-Conservatives endorsed this proposal. The Social Crediters, who mostly hail from Alberta and wanted markets for their Province's gas, gave the Bill solid support. The chief sponsor of the Bill in the Cabinet was Mr. Howe, the Minister of Trade and Commerce, who was born and educated in the United States and, while he is a first-rate administrator, has retained from his American background the conception that the Cabinet should not be subject to the legislative body; he has repeatedly shown a regrettable impatience with the procedures of the Canadian parliamentary system. He had set a time-table for the passage of the Bill through both Houses by June 7, and, when in the



committee stage he found that the Opposition were adopting obstructive tactics, he secured the acquiescence of his colleagues in a drastic move for their frustration. Before the first three clauses of the Bill had been dealt with, he moved that further consideration of them be postponed and that closure, to which resort has been very rare in the Canadian Parliament, should be applied that same evening.

The Opposition protested that without a discussion of the first three clauses the examination of the rest was unprofitable and that the debate was being unfairly curtailed. When both the chairman of the committee and the Speaker overruled their protests, they showed great ingenuity in forcing a series of divisions, but they could not stop the application of the closure, which was enforced three more times before the Bill passed the House of Commons. But Mr. Howe's tactics earned for him not only sharp castigation by the anti-ministerial press, but also severe criticism from influential Liberal papers like the *Toronto Star* and the *Winnipeg Free Press*. The latter declared that the issue at stake had nothing to do with the pipeline, that the design of the Government was not to limit debate on it, but to shut it off altogether and that, even if it achieved its temporary objective, it would suffer "a moral defeat of great significance".

#### Attack on the Chair

THE Opposition continued to fight the Bill and their indignation was fanned to boiling-point by a curious performance of the Speaker. Two letters published in the *Ottawa Journal*, in which their writers passed severe strictures upon the proceedings in Parliament and the conduct of the Speaker, moved Mr. Cameron, a member of the C.C.F., to propose a vote of censure on the ground that their observations reflected upon the honor of Parliament. When he consulted the Speaker the latter gave his warm approval to his move, helped him to draft the motion of censure and permitted debate on it to begin. But a debate on this issue, if prolonged, would have upset Mr. Howe's time-table and accordingly, when on the following day the Speaker suddenly announced that he had erred in accepting the motion and decreed its withdrawal, the Opposition naturally suspected that he had succumbed to pressure by the Cabinet and accused him in very violent language of being a complaisant tool of the Government. A series of angry exchanges across the floor of the House followed and at different periods it was in a state of uproar and completely out of control by the Speaker. Mr. Coldwell, normally a mild-mannered man, was so incensed by the conduct of the Speaker that, followed by a group of other members, he walked up the centre of the chamber and, shaking his fist at the Speaker, shouted "You are a dictator." On their side the Liberal backbenchers tried to drown the voices of members of the Opposition by singing "O Canada" and "Onward, Christian Soldiers". The Speaker, whose action had provoked the most discreditable parliamentary brawl ever witnessed at Ottawa, had to take sedatives to restore his shattered nerves and several members retired to hospitals. But one amazing feature of the fracas was the passivity of Prime Minister St. Laurent, which was thus described by a prominent Liberal journalist, Mr. Grant Dexter.

Through all this hubbub the most arresting figure on the Government's side of the House was Prime Minister St. Laurent. He sat impassive, expressionless, chin in hand, with an open book on his desk, silent. His aloofness is almost unbelievable.

Especially at a time of high controversy, Prime Ministers, regardless of who the leader of the House may be, always dominate its proceedings and lead their own party. Mr. St. Laurent does neither.

When Mr. Drew, supported by Mr. Coldwell, moved a direct vote of censure upon the Speaker upon the ground that he had gravely violated the high traditions of impartiality attached to his office, the Liberals and Social Crediters combined to defeat it, but the Speaker was left in a very delicate position, because both Mr. Drew and Mr. Coldwell had plainly intimated that they had lost all confidence in his fairness.

But the Speaker was soon involved in further trouble, when *Le Devoir* of Montreal published an indiscreet letter, which he had written to one of its editors. In it he charged his parliamentary critics with falsifying facts for their own political ends, and naturally they seized upon the letter as confirmatory evidence that he was strongly biased against them. So they reiterated their demand for his resignation, and also pressed for an immediate dissolution on the ground that the present Parliament had by its unseemly proceedings become completely discredited in the eyes of the public. The Speaker, realizing that his charges against the Opposition had undermined his claim to impartiality, proffered his resignation at the pleasure of the House, but acceptance of it was deferred pending the return of the Prime Minister from London.

Apparently, when Mr. St. Laurent returned from London, he found the great majority of his English-speaking colleagues in the Cabinet convinced that the position of the Speaker had become untenable and that his resignation must be accepted; but his French-Canadian Ministers and all their followers were adamant against the demotion of Mr. Beaudoin and insisted that he must be saved from such humiliation. He also discovered that the whole press of French Canada had rallied to the support of the Speaker; Mr. Pierre Vigeant, the Ottawa correspondent of *Le Devoir*, offered this intelligible explanation of their attitude.

This [he wrote] is a situation difficult to explain to French-Canadians. One must have been educated from childhood in the veneration of parliamentary institutions to react strongly to incidents, which seem to us rather secondary. The respect for the chairmanship of the House, for the chair as our English-speaking compatriots say, which is now manifest to the point of arousing a sharp controversy throughout English-speaking Canada has much to surprise us. . . . These incidents illustrate very well the difficulties experienced by our representatives at Ottawa in adapting themselves to English parliamentary institutions, whose workings, based more on precedents than on rules, answer so poorly to the French spirit. Mr. Beaudoin is a victim of these difficulties, but he is not the first.

Other French-Canadian papers took a stronger line in favor of the Speaker: *L'Événement-Journal* of Quebec wrote of the personal affront which a minority

he had treated with consideration was trying to inflict upon him, and denounced them as reprehensible agitators "who had lost all respect for parliamentary authority". So the French-Canadian people had presented to them a picture, not of an Opposition battling valiantly to preserve the rights of Parliament, but of a disgruntled minority trying to humiliate an eminent member of their own race. Now the decisive defeat of the Liberal Party in the recent provincial election in Quebec was a serious blow to Mr. St. Laurent and in order to avert any further loss of popularity in Quebec he decided to rescue Mr. Beaudoin from his unhappy predicament and, when his Cabinet met, he put his foot down so firmly in favor of his retention that the anti-Beaudoinities had to bow to his will since refusal to comply with it would have entailed either their or his resignations.

Mr. St. Laurent then announced the decision of the Cabinet to retain Mr. Beaudoin in a carefully prepared statement, which was an extraordinary mixture of casuistry and naïveté. Praising the Speaker for his dignified and impartial discharge of his duties and expressing sympathy with his desire to regain his freedom to defend himself, he said he was glad to announce that he had persuaded him "to subordinate his personal feelings to his duty to Parliament and the country". He blithely disregarded the fact that the gravamen of the Opposition's case against the Speaker was that he had done exactly the opposite during the debate on the pipeline. The Prime Minister professed to share the regret of the Speaker about the publication of his unfortunate letter, but he could not see that its denunciation of his critics as falsifiers of facts prevented him from "continuing to be an impartial and competent Speaker". Then he declared that his own confidence in the Speaker was unshaken and that it was shared by an overwhelming majority of the House. He evidently thought that Mr. Beaudoin would not be handicapped in the performance of his duties by the complete forfeiture of the confidence of two parties, and condemnation of his conduct by most of the leading newspapers of Canada, including very influential organs of Liberalism.

The Liberals and Social Crediters applauded the Prime Minister's statement and neither the Progressive-Conservatives nor the C.C.F. challenged it. There was considerable surprise that Mr. Drew did not rise immediately to expose its weaknesses, but there was an intelligible reason for his silence. He was about to deliver on that very day a speech that committed his party to a "Canada-First" economic policy, designed to ensure that a large quantity of Canadian raw materials now exported abroad, chiefly to the United States, should be processed at home to provide employment for Canadian workers and redress the high adverse balance of trade, and there have been other signs that he intends in the next election to base his main appeal for votes on the ground that such a policy would check the domination of Canada's economy by American interests, which has increased at an ominous pace in the last three years. Now such a policy might have a very effective appeal to the voters of Quebec, where the Roman Catholic priests are continually warning their flocks about the menace of Americanization. But so strong is racial sentiment in French Canada that Mr. Drew's chances of winning seats

in Quebec would be gravely impaired if the Liberals were able to fasten on him the charge that he had persecuted a prominent French-Canadian politician and deprived him of an important office. So fear of antagonizing the French-Canadian voters was probably responsible for Mr. Drew's reluctance to protest against Mr. St. Laurent's decision.

But the Prime Minister has reason to be dismayed by the veritable avalanche of criticism of his actions that descended upon him from the editorials of the Canadian papers. Staunch Liberal papers were just as severe in their strictures as organs of the papers in opposition, and even a habitually friendly paper like the *Montreal Star* told him that he had done a great disservice to the parliamentary institutions of Canada. His stock has fallen sharply in the English-speaking Provinces and it is now very doubtful whether he will be able to repeat his earlier success as a vote-getter in them.

### Federal-Provincial Finance

THE problem of reaching a new arrangement between the Federal Government and the provincial ministries to replace their existing pacts about taxation, which are due to expire on March 31, 1957, has been the subject of Federal-Provincial conferences and other negotiations; and legislation embodying the latest bid of the St. Laurent Ministry for the co-operation of the provinces, which Mr. Harris, the Minister of Finance, submitted to the House of Commons on July 16, produced a controversial debate. It proposed that the Federal Treasury should in the fiscal year 1957-58 pay to the ten Provinces a total sum of 653 million dollars, in whose allocation between them the governing factor would be their respective quotas of population, some special consideration being given to the needs of the poorer Provinces. This sum represented an increase of 115 million dollars, or roughly 20 per cent, over an earlier offer of the Federal Government, and Mr. Harris in his speech intimated that the revenues available to the Federal Treasury would permit no enlargement of it. In defending his proposals he pointed out that the Federal Government was now spending about 900 million dollars per annum on services for social welfare like old age pensions and family allowances, which under the terms of Canada's Constitution had always before been regarded as the responsibility of the Provinces, and that it had also committed itself to contribute a further 180 million dollars per annum towards the cost of a plan of national health insurance.

For the Progressive-Conservatives Mr. Drew admitted that there were some sound principles in the Government's new plan and it was an improvement upon earlier schemes, but he criticized it as an unsatisfactory makeshift measure and, arguing that both provincial and municipal authorities in Canada were facing a critical situation through lack of revenues for the efficient discharge of their local responsibilities, he urged that another Federal-Provincial conference should be held to review the whole problem. His support of the demands of virtually all the Provinces for more generous treatment by Ottawa was endorsed by the leaders of both the C.C.F. and the Social Credit Party, who made vigorous attacks upon the Bill.

Premier Duplessis of Quebec has always refused to participate in any plan

for the rental of provincial taxation, but the reluctant adhesion of Mr. Frost, the Progressive-Conservative of Ontario, was given in 1952. Today, however, none of the provincial Premiers has been so emphatic as he in condemnation of the St. Laurent Ministry's policy about taxation. After studying the new Bill he issued a lengthy statement to the press, in which he described the latest proposals as unrealistic and calculated to retard the country's development, and criticized the Government at Ottawa for introducing such important legislation "in the final tired moments of the session". He claimed that under the terms of the British North America Act the Provinces had as much right as the Federal Government to levy income taxes and death duties, and he pronounced wholly inadequate the Government's offer, embodied in the Bill, to allocate to the Provinces 10 per cent of the yield of personal income tax, 9 per cent of the returns from corporation income tax and 50 per cent of the death duties. He said that Ontario, while it would be content with 50 per cent of the succession duties, needed for the fulfilment of provincial obligations 15 per cent of the yields of the two forms of income taxation.

Mr. Frost's displeasure with the St. Laurent Ministry's refusal to listen to the frequent appeals that he has made to it for more generous terms for Ontario may have important political consequences. Hitherto he has adopted towards it an attitude of friendliness, and in the Federal election of 1953 his neutrality told heavily against the Federal candidates of his party in Ontario and materially helped the Liberals to carry 54 out of the 87 seats in the Province, which is rated the chief stronghold of Conservative sentiment. And the irritation of Mr. Drew and his friends with his apathy about their fortunes was increased when Mr. Frost endorsed the policy of the St. Laurent Ministry about the pipeline for gas and entered into a partnership with it for the construction of part of it. Now, however, he has not yet declared open war upon the St. Laurent Ministry, but intimations have been allowed to leak out to the press that his exasperation with the Federal Government will produce his whole-hearted support for Mr. Drew in the next Federal election. Since he enjoys such popularity in Ontario that he carried 79 out of 92 seats in the provincial legislature in his last election, and has a well-organized political machine, his active intervention would make many of the seats now held in Ontario by the Liberals very vulnerable. Then the Premiers of the four Atlantic Provinces, of whom three are Liberals, are also at loggerheads with the Federal Government over its policies. They are responding to a widespread feeling of grievance in their territory that policies formulated at Ottawa in recent years have mainly favoured the interests of the two central and highly industrialized Provinces, Ontario and Quebec, and that the interests of the Atlantic Provinces have been studiously neglected.

### Election Results

THE fiscal policies of the Federal Government were also under fire in three provincial elections, held on June 18 in New Brunswick and on June 20 in Quebec and Saskatchewan; while they produced no surprises, they revealed a trend of public sentiment adverse to the Liberal Party. In New Brunswick the Progressive-Conservative Party, which had recovered



power in 1952 with a minority of the popular vote, appealed for a fresh mandate on the strength of its record and its plans for developing the power and mineral resources of the Province. It improved its position by gaining one seat from the Liberals, to raise its members in the legislature to 36 out of a total of 52, and secured over 51 per cent of the popular vote. In Quebec the provincial Liberal Party, headed by Mr. George Lapalme, had the assistance of most of the Federal Liberal members, including Ministers, from the Province and also the co-operation of the Social Credit Party and a faction of extreme nationalists for a vigorous campaign against Premier Duplessis and his *Union Nationale*. But the combination proved no match for such a resourceful and experienced politician as Mr. Duplessis, and his well-oiled provincial machine, and it suffered a disastrous defeat. The *Union Nationale* Party indeed made a net gain of four seats, to increase their strength in a legislature of 93 seats to 72, and Mr. Duplessis is now more firmly entrenched in power at Quebec City than ever before. Moreover, the intervention of the Federal Liberals in the contest has moved him to declare that his truce with Ottawa is ended.

In Saskatchewan the C.C.F. Ministry of Premier T. C. Douglas, which has been in office since 1944, sought a new lease of power with a program that restated its faith in Socialism in rather muffled tones, for it has been giving reasonably free scope to private enterprise in the development of the Province's oil and other resources. The election was complicated by the first serious drive of the Social Credit Party for securing control of Saskatchewan. Not only were its local adherents well supplied with funds by their brethren in Alberta and British Columbia, but Mr. Manning and Mr. Bennett, the Social Credit Premiers of these Provinces, and a band of their leading henchmen in the last weeks of the campaign employed their oratorical powers to expatiate upon the wonderful records of their régimes in stimulating prosperity, with scant emphasis on the merits of the Social Credit creed, which they have virtually discarded. However, the polls revealed that, while the C.C.F. had lost a lot of votes to the Social Crediters, and had suffered a new loss of six seats, it had won another comfortable majority in the legislature with 36 out of its 53 seats. The Liberals, by increasing their representation from 11 to 14, made very little headway in their old stronghold, and the Progressive-Conservatives did not win a single seat. But the strenuous campaign of the Social Credit Party captured only three seats, and this rebuff, coupled with the poor showing of its candidates in the elections in Quebec and New Brunswick, is a severe setback to its aspirations to form a nationwide organization and challenge the older parties in the Federal arena.

Canada,

August 1956.

# SOUTH AFRICA

## THE SESSION OF 1956

**T**HE Fourth Session of the Eleventh Union Parliament was formally opened by the Governor General, Dr. E. G. Jansen, on January 13, 1956.

The session lasted until June, during which time many new measures were added to the country's rapidly expanding volume of legislation. Some of them were useful pieces of legislation, such as the consolidation of a number of laws, the Water Act, and the new law consolidating and amending the Act that provides for compensation for those who contract diseases in the mining industry. But on the whole it was a session of sharpening acrimony and conflict. No fewer than 73 Acts were passed in 100 days, showing not only that South Africa is suffering from great legislative indigestion, but also that the Nationalist Government are bringing about a revolution in the country affecting principles of law, industrial and racial relations and, perhaps most important of all, the position of the Native.

It is not only the non-Europeans who find themselves more and more separated from the governing party. Nationalism presses on without much time for thought or reassessment of the real needs of the country, and there are many who feel that the Government are in grave danger of finding themselves isolated from all but their own followers. Possibly because he senses this, the Prime Minister, Mr. Strijdom, has made appeals calling upon the White people to stand together, and to act in such a way that the non-Europeans would believe that the White man was their friend and meant well towards them. Yet the debates in Parliament so often bore no relation to those sentiments.

The session opened with optimistic predictions about the country's economic stability. In the Speech from the Throne the Governor General pointed out that new peaks had been reached in the national economy during the previous year; that industrial production had been maintained at a high level; and that notwithstanding a considerable increase in the allocations for imported goods, efforts to reduce the Union's adverse balance of payments had met with considerable success. After the introduction of the Budget Mr. E. H. Louw, Minister of Finance, won praise for various concessions before the public had time to realize that the impoverished Provinces would soon be exacting new taxes. But as the session wore on there were some apprehensions, for it became clear that the State-owned railways were running into difficulties again—there was an operating deficit of £2½ million in March and April—and despite assurances from government spokesmen, business men were looking for better times.

The official government view was expressed by Mr. Louw, who in May declared that what was happening to the country's economy was not, as had been alleged, the beginning of a depression, or even a recession—the reality

was that South Africa was coming down to solid earth again and returning to normality.

There are individuals [said Mr. Louw] who are finding that they have burnt their fingers. One regrets the casualties, but these should not be a cause for concern. On the contrary, in the conditions of over-spending, over-trading and over-employment that have characterized the South African economic scene during the past few years, some casualties are necessary conditions for a return to normality and sanity. No country is able to maintain a sound economy under continued inflation. This is shown by what is happening in other countries. In South Africa we still have a sound and stable economic condition. There has been a reduction of taxes. Well established retail firms are reporting good business. Efficient industries are operating at full capacity, building operations are still on a satisfactory scale, and there is still full employment. And most promising of all, the public has returned to its senses. People are now spending neither recklessly nor parsimoniously, but prudently.

It remains to be seen whether Mr. Louw's optimistic satisfaction is justified by developments in the next twelve months. There is no doubt that, fundamentally, the Union's economy is sound, and potentialities for industrial and mining development virtually unlimited—given the necessary capital and labour. The lack of skilled manpower is being emphasized more and more in both government and private enterprises. To meet the need the United Party, the official Opposition, proposed during the session a policy of State-aided immigration, but the proposal was rejected on behalf of the Government by Dr. T. E. Dönges, Minister of the Interior.

### The Joint Sitting

**C**LOUR has dominated this year's Parliament. Colour was the impulse behind the Joint Sitting. And though many had hoped for some respite from the tension of race controversies after the new, enlarged Senate had accomplished its allotted task of providing a two-thirds majority to validate the Separate Representation of Voters Bill, the Colour theme continued, with the result that there was another spate of *apartheid* legislation.

The Joint Sitting of both Houses of Parliament was undoubtedly the most important event of the session. At this Joint Sitting the third reading of the South Africa Act Amendment Bill was declared passed on February 27 by 174 votes to 68, 8 more than the Government required for the statutory two-thirds majority; and so ended what many South Africans regard as the most melancholy legislative episode in South African parliamentary history. Government supporters argued by assertion throughout: they asserted that the communal franchise would be of great advantage to the Coloured voters; they asserted that the new arrangement would prevent ill-feeling between the two great European sections; they asserted that they had the *volkswil* behind them; they asserted that Field Marshal Smuts would never have gone to court over their amendments to the Coloured franchise.

These and other assertions were all unprovable and obviously highly controversial. The Opposition, doing its duty according to the light as it saw it, attempted to controvert them. The Government's reaction to this legitimate

and indeed necessary fulfilment of parliamentary duty took the form, in some instances during the debate, of heated references to "incitement" of the Coloured people. Indeed one Nationalist M.P., Mr. Otto du Plessis, went farther and roundly declared that "the Nationalist Party in its struggle for self-maintenance and independence knew only the word 'struggle' and not the word 'stop'. The struggle would go on until there was one flag, one anthem, and instead of a Governor General a President."

### Appeal to the Courts

WITH the Joint Sitting concluded, the centre of interest shifted to the courts, where an application, sponsored by the United Party, was made in the name of a Coloured voter for an order declaring the Senate Act of 1955 and the South Africa Amendment Act of 1956 invalid and of no legal force by virtue of the provisions of the "entrenched" sections 35 and 152 of the South Africa Act. Alternatively, an order was sought:

- (a) declaring that such of the provisions of the two Acts as repealed or amended sections 35 and 152 of the South Africa Act were invalid;
- (b) declaring that any joint sitting in which the body constituted by the Senate Act of 1955 participated was null and void and incapable of passing or enacting legislation coming within the purview of sections 35 and 152; and
- (c) declaring that such of the provisions of the Separate Representation of Voters' Act of 1951, purporting to be validated by the South Africa Act Amendment Act of 1956, as provided for disqualification of existing or potential voters by reason of race or colour only were invalid and of no legal effect.

On May 18, 1956, a full Bench consisting of three Judges of the Cape Provincial Division of the Supreme Court dismissed the application in a judgment that was unanimous. The conclusion to which the Court came was that no limitation could be implied upon the scope of powers expressly granted to the Union Parliament as ordinarily constituted—that is to say, sitting bicamerally—so as to preclude Parliament as so constituted from enacting the Senate Act of 1955, the Act which enabled the Nationalists to procure 77 Senators out of a total new Senate membership of 89 and thus create an artificial two-thirds majority for the validation of the Coloured Vote Act.

An appeal against this judgment has been noted to the Appeal Court. The appeal will probably be heard in the second half of October.

The difficult decision to go to court was in practice the only course open to the United Party. Whatever the ultimate verdict may be, for them the essentials of the situation are unambiguous. In 1910 four contracting parties—the former Colonies of the Cape, Transvaal, Natal and the Orange Free State—came together in good faith and drew up a contract of association, the South Africa Act. One necessary compromise was that language equality and the franchise of the non-Europeans in the Cape should not be at the mercy of a bare or fortuitous parliamentary majority, but that a two-thirds majority was needed for any disqualification.

In 1956 a group, representing not a two-thirds majority but actually a minority of the voters, in the opinion of the Opposition violated that

guarantee by packing the Senate. Considerations of public policy have accordingly compelled the United Party to test the legislation in the courts. Until that is done, planning of the course to be followed in the future in respect of political rights of the Coloured community must be held in abeyance.

For the Government the passing of their legislation to remove Cape Coloured voters from the common roll, and the subsequent legal endorsement of the legislation by the Cape Supreme Court, constituted a major victory. Another was the enactment after prolonged debate of the much-disputed amendment of the Industrial Conciliation Act. Each was hailed as a corner-stone of *apartheid*: the Coloured Vote legislation in the field of political rights, and the industrial conciliation legislation in the labour relations sphere where it proposes to split trade unions on racial lines and to ensure "job" reservation as between White and non-White. Both pieces of legislation were declared by the Government and their supporters to be essential for implementing *apartheid*.

### The Tomlinson Report

**B**UT while the Nationalists claimed these as two great steps forward towards the *apartheid* ideal, Nationalist Colour policy received what many political observers regard as a severe set-back this session with the appearance of the Tomlinson Report on the Socio-Economic Development of the Bantu Areas within the Union of South Africa.

The Commission's terms of reference were "to conduct an exhaustive enquiry into and to report on a comprehensive scheme for the rehabilitation of the Native Areas with a view to developing within them a social structure in keeping with the culture of the Native and based on effective socio-economic planning".

The Commission was appointed in November 1950, and presented its Report to the Government in October 1954, in 18 volumes comprising 3,755 pages. The Commission also prepared a Summary of the Report which became available to members of Parliament and the public in March 1956. In April the Government presented a White Paper defining its attitude towards the Report; and the Summary and White Paper subsequently formed the subject of a major parliamentary debate on Native policy.

The Report and the Government's reaction to it are of such importance that they require to be dealt with in a separate commentary. Briefly, however, the Commission found that, even with the maximum effort to build up the existing Native Reserves, these would not be able to hold the entire African population of the Union. According to their calculations, at the turn of the century there would still be as many Natives as Europeans outside the Reserves. But the Commission made it clear that even this 1-to-1 ratio by the year 2000 would not be achieved unless the country made a spectacular effort involving great sacrifices. The Government, however, rejected the Commission's major recommendations and refused to tie itself to the plan and tempo without which the Commission held that its challenge could not be met. Thus earlier Nationalist suggestions of a Black Utopia, to justify



the many legislative acts of negative *apartheid* which have marked recent sessions, fell suddenly away. The retreat from the former implicit undertaking began in the first days of the session, when the Prime Minister announced that total *apartheid* was "not a policy". He and Dr. Verwoerd, Minister of Native Affairs, expanded on this theme as the weeks went by, with the result that, by the time the embarrassing Tomlinson Report had to be faced, the path had been well paved for retreat from that Report's recommendations as well. The Opposition has taken full advantage of this opportunity of finding an apparent breach in the Government's armour; and the leader of the Opposition, Mr. Strauss, has in effect declared that the 1956 Parliamentary session has finally stripped Nationalist Colour policy of any sort of moral basis.

The Tomlinson Commission's challenge was clear: total *apartheid* was impracticable, but a substantial measure of segregation was possible if White South Africa was prepared for enormous sacrifices. So far the Government have refused the challenge, being obviously reluctant to incur the political risk of calling for such a sacrifice.

### A Lively Clash

THE debates on the Coloured Vote legislation, the Industrial Conciliation Bill and the Tomlinson Report were the highlights of the session. Near the end there was another lively clash—again over *apartheid*. This time it was a group of Bills, denying Natives (in certain circumstances) access to the Courts or limiting such access, which attracted strong criticism from the Opposition; and Dr. Verwoerd's refusal to drop even one of his proposals had the effect of prolonging the session by some days.

These contentious measures were the Natives Administration Bill, which increases the Government's power to deal summarily with tribal Natives; the Natives (Prohibition of Interdicts) Bill, which prevents Natives from obtaining interdicts staying the execution of removal orders; and the Natives (Urban Areas) Amendment Bill, which gives local authorities the right to banish from their area without trial any Natives who in their opinion are a danger to peace and order.

Other *apartheid* measures which aroused controversy during the session were the Bantu Education Amendment Bill, which tightens government control over private Native schools; another Group Areas Amendment Bill cancelling freehold rights remaining to Natives in certain areas; and the Population Registration Act Amendment Bill, which provides that a person who looks like a Native can be classified as one, and puts the onus on that person to prove, if he wishes to, that he is not in fact a Native. As in every session since the Nationalists came to power, these restrictive *apartheid* measures constituted the bulk of the important legislation dealt with this year.

It was against this background that towards the end of the session the Leader of the Opposition gave this warning:

Basically the Native problem is a moral one. We will not solve the problem nor placate our consciences by depriving the non-European of his vote, by

packing the Senate, by further restricting his movements or his opportunities for further advancement. We shall have to face up to the fact that he is now, and will be for the foreseeable future, an integral part of our economy. . . . Above all, we shall have to face up to the fact that the Native is a human being entitled to have his personal dignity recognized by law, custom and social usage. He is not a cipher in a population readjustment plan. He is not a soulless robot.

It is of significance that this year's discussion on the Defence Vote in the House of Assembly was singularly free of politics, as were the debates on the Prime Minister's and External Affairs Votes.

In view of the rancour roused by so much of the *apartheid* legislation, there is reason for satisfaction in the fact that the Union Parliament can almost to a man rise above the party political level when matters affecting the safety of the State and the part it may be called upon to play in international affairs are under review. For it is a comforting reminder to the pessimists that despite racial differences and the disappointments and set-backs along the path of national development, there is still an instinctive urge among South Africans to create unity out of diversity.

South Africa,  
August 1956.

# AUSTRALIA

IN MEMORIAM D. K. PICKEN

THE Melbourne Round Table Group lost one of its oldest and most valued members when David Kennedy Picken died last June. During his long association with the Group he had been one of its chief mentors; and it is certain that no ill-balanced judgment, no awkwardly or ambiguously worded phrase ever found its way into a Round Table article if he was present while it was being discussed (and in his attendance he was characteristically assiduous). Moreover, even when an article had been shaped to the general satisfaction of the Group, it still had to come under the searching scrutiny of Mr. Picken at the subsequent meeting of the editorial committee, of which he was for long a member. This close attention to detail was not in any way pedantic. All that he said and did was based on clearly formulated principles; and in Group and other activities he consistently stood out as an enemy of all *ad hoc* procedure. "We must get back to fundamentals" was one of his best-known and most often repeated phrases; and his convictions were so strong in this respect that none ever dreamed of lagging behind in this return to first principles.

Born in Scotland, he had, after occupying a Chair of Mathematics in Victoria College, New Zealand, come to Melbourne at the age of 35 as Master of Ormond, the Presbyterian college affiliated to the University. There he worked for many years, and his influence rapidly spread to the main institution, where he contributed powerfully to the maintenance of good, solid doctrine on the Faculties of Arts and of Science. He also served at intervals on the University Council. He was known among many generations of Ormond students, long after they had left the College, as "The Master", as if this were his natural prerogative and his abiding designation—which indeed it was; for in his mastery there was a strong and deep humanity. Similarly, colleagues on faculties and committees at the University addressed him as "Master"; and in the word as thus used there was always a warm overtone of respect and cordiality.

After long service as Master of Ormond, Mr. Picken retired some years ago; but he continued to attend Group meetings until deteriorating health made it difficult for him to come in; though even then he was always prepared to give advice and to convey in writing his criticisms of draft articles. All this was quite natural to him, for he believed passionately in the Round Table and in the principles and traditions of the British Commonwealth.

David Kennedy Picken was, in short, one of the finest citizens of both the larger Commonwealth and the Commonwealth of Australia, serving both with all the ardour of an abiding belief and all the enlightenment of a cultured, erudite mind. He was a devout and active Christian, and died in the faith that had always strengthened and illumined him.

Melbourne,  
August 1956.

# EAST AFRICA

## THE GOVERNORS' REPLIES

EAST Africa is poor. That statement was fully explained by the East Africa Royal Commission 1953-55. Its poverty is not the abject poverty of Eastern or Middle Eastern townfolk. An adequate subsistence economy is possible for the great majority of East African peoples. The poverty that exists is for the most part extensive rather than intensive. It lies, for instance, in the absence of substantial mineral resources, such as some other parts of Africa enjoy, and of grasslands and cornfields, such as spread across North America. Above all it is rain that is short—and tsetse that abounds—except in the relatively prosperous basin of Lake Victoria. These facts the Royal Commission brought out more clearly than ever before.

But there is another shortage too—money. It is on this that the East African Governors have now concentrated. The very remarkable exercise that began with Sir Philip Mitchell's great dispatch on Land and Population in East Africa, in which he asked for a Royal Commission to collate the material already available and suggest new lines of thought on the increasingly urgent problem of the relation in this region of human population to land, has now come full circle with the publication of the East African Governors' replies to the Report. The paper work, which for the most part has been of an exceptionally high standard, has now been completed. What is more, the Report has by and large been accepted by the governments, who have already wherever possible begun to put its lessons into operation on a wide front. There can be no doubt that in the last three years a great stimulus has been given in all the East African territories to the self-confidence with which problems previously apparently intractable have begun to be tackled. Take urban development as an example, where so much effort was expended previously upon correct standards of housing and subsidized housing schemes, with very disappointing results in all too many instances. The despondency that resulted has gone. Instead of worrying about the quality of the housing, governments have begun to go forward boldly in driving through the worst areas good roads, water pipelines and even in some instances electricity cables. It is difficult to assess the benefits promptly resulting. They certainly include the raising of comparatively humble people's morale. But such schemes cost money, and capital in East Africa is short.

In fact the shortage of capital, the Governors conclude, is now the chief stumbling-block to a greatly expanded, and in some areas greatly needed, programme of social and economic development. Sir Evelyn Baring, the Governor of Kenya, remarks that it would be possible for his Government to spend on measures advocated by the Royal Commission 50 per cent more than is likely to be available. Sir Andrew Cohen for Uganda points out that in 1954 plans were drawn up for a capital development programme based on

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"proposals for expenditure from different branches of the Government which were reasonable and desirable in themselves, but amounted in the aggregate to far more than the country could afford"—which would have cost, in fact, £50 million, when at best only £30 million was likely to be available; and it may now be that even less will be forthcoming. Sir Edward Twining from Tanganyika tells the same tale. His Government has drawn up figures for a development programme for the next ten years which in terms of materials and skill could be managed, but which would cost an extra £48 million, that is, double the amount of money likely to be available. This programme has no frills.

Of the total of £96 million, [Sir Edward explains] more than one-third, or £37 million, is for communications. £18 million is for expenditure upon natural resources including water and minerals, £11 million on urban development, £5 million on power, and £2 million on agricultural and industrial loans. It is significant that not more than £12 million, of which £8 million will be for education, can be allocated to those social services which will not give an immediate return.

It is significant too that the road programme for a grid system of four north-south and three east-west trunk roads is equally modest.

For the most part these roads will be brought to the standard of first-class gravel roads. They will be sealed with bitumen only where and when traffic densities make it economical to do so.

Not until all seven are built will all the key areas of thirty-inch rainfall reliability be brought into touch with the main road and rail network of the territory.

The Administrator of the East Africa High Commission makes a similar plea for increased capital if the High Commission's services are to meet the increasing demands that are likely to be made upon them, and he concludes his dispatch with the words:

It is inescapable that a substantial proportion of this capital must be sought from the United Kingdom. If it cannot be obtained much of the Royal Commission's labour will have been in vain.

These are grave words. But for anyone who has read Sir Philip Mitchell's original dispatch, the Report, and now the Governors' replies, they are obviously not exaggerated. Sir Edward Twining makes the point which is true for the other territories that "it cannot be disputed that any further increase in the level of taxation can only be harmful". Windfalls, such as the large amounts available in the Price Assistance Funds in Uganda, do not seem likely to recur. Loans on the London market since the war have been available to Colonial governments only in limited quantities, and even if they were stepped up (and there is no indication at the present that they will be) they would still be inadequate to enable development to continue even at its present level. All the East African territories are grateful for the sums made available through the Colonial Development and Welfare Funds, but in Uganda, for instance, as Sir Andrew Cohen points out,

because of the needs of other poorer territories, only a very small part of our



capital development programme can be financed from the Colonial Development and Welfare Vote, and in fact during the current five-year period we are only to receive £½ million

in addition to Uganda's share of some central schemes. Yet the Colonial Office estimate that

in round terms over the present planning period 1955-60 a sum in the region of £250 million could be fruitfully applied to developments or in support of developments recommended by the Royal Commission and accepted by the Governments as desirable.\* This would involve the provision of external funds at an annual rate considerably in excess of that at which external loan funds and C. D. & W. contributions have recently been available to meet East African requirements. This illustrates the magnitude of the task involved in bridging the gap between the apparently practicable in terms of past experience and what it would be desirable to attempt were outside capital available to match the needs and opportunities described by the East African Governments.

### East Africa in the Commonwealth

**Q**UITE clearly there is here a major political problem to be faced. At the recent Commonwealth Conference Britain pledged herself to "maintain and improve her capacity to serve as a source of capital for development in Commonwealth countries". Here straightaway is a test. East Africa is of course by no means the only area that needs the support that has been suggested. It is indeed a sobering thought to imagine what the total bill for the Commonwealth might be, even for relatively modest programmes on the East African model. But the assurance that something will be done has now been given. How much must now be a political question, and it is well that it should be so considered. The question is, how much is East Africa worth to Britain and the Commonwealth?

There is unfortunately no clear answer. If there were closer union in East Africa an answer in economic terms might be more readily forthcoming, but it would be belied by the greatly accentuated political uncertainties which at this stage the suggestion of any such development would immediately create. Even as it is, political uncertainties abound. Five years ago a Labour Colonial Secretary told a Uganda audience that Uganda's future lay in multi-racialism. Two years later a Conservative Colonial Secretary stated that it was to be primarily an African country. Even if these issues were clearer, there could still be no adequate answer to the question. Unfortunately too, Britain has not the money to pay for a purely altruistic policy, though it would be a sad day, whatever the state of the funds, if such considerations were no longer considered. It also remains unhappily apparent that at the present stage gratitude for the generosity of the British taxpayers has been soured by too constant mention. It could indeed be argued that it would be better to wait until there is greater recognition by the African population of East Africa of their dependence upon the money that might be made available. Such considerations, however, may lead to miscalculations which might be even more

\* This may in fact be an upper figure. £200 million is probably nearer the mark, but even so the Colonial Office's conclusion remains correct.

serious than those which bedevil simple open-handed generosity, for they generally overlook human self-respect.

The answer to the question is indeed that no one knows how much East Africa is worth to the Commonwealth, but that it is surely worth trying to increase that worth; that it is worth in a somewhat new sense "pegging out claims for the future" of those who will live in East Africa, that they may, if this be their ultimate choice, be contented and contributing members of the Commonwealth; and (if this must be, as it may well be, the major consideration) that the East African equivalent of the Colombo plan should be launched well before unpredictable political and diplomatic events taint its urgency. This area is after all still the exposed gateway to the rest of Africa.

There is an impressive unanimity between the Commission, the East African Governors and the Colonial Office on the need for a guided revolution in African agricultural methods. Differences between the Commission and the Governors arise in the stress the latter place upon the need for caution, particularly, for instance, in the introduction of individual tenure where communal systems of land tenure are still viable. The point that emerges seems to be that the governments should be ready with the necessary legal and administrative measures to encourage individualization of holdings, once a tribe, or a portion of a tribe, begins of its own accord to move in that direction. The process cannot, however, be unduly hurried. "In Africa", the Kenya dispatch reminds us, "patience is an essential quality of Government."

Unfortunately in the important instance of the sanctity of the White Highlands of Kenya—important because it is a test of good intentions—the Kenya Government have hidden behind this dictum. They declare that it would be most injudicious for the Kenya Government to try to move faster towards the breaking down of tribal and racial boundaries which distinguish the various areas of land assigned to separate communities and separate tribal groups. . . . The most that can be done at present is for the law to provide for the possibility of these boundaries eventually disappearing. The Kenya (Highlands) Order in Council already makes such provision.

It is time it was used. The Kenya Government are merely arguing that because African land holdings under the high doctrine of trusteeship must be safeguarded until Africans can operate on a fair basis in an open market, so must Europeans be safeguarded too. It is a sad commentary on Kenya that even today such special pleading can secure condonation in high places.

And the Kenya dispatch contains a further clue to the attitudes that prevail. Throughout it speaks knowingly of "the African". The Tanganyika dispatch is less satisfied with such abstracts. It is only the Uganda dispatch that speaks throughout of "Africans". Such differences speak volumes.

The major items on which the Governors disagree with the Commission concern the marketing systems, on which by and large the Commission's views are rejected, since, as Sir Andrew Cohen puts it, there are examples in East Africa of "free competition not producing the results which are sometimes theoretically claimed for it". They also join in rejecting overmuch regional planning, though they have agreed to strengthen various methods of inter-territorial discussion. They also all reject the proposals to set up an East

African Prospecting and Mining Leases Board and an autonomous Railways and Harbours Corporation on the grounds that they do not consider that there is any evidence that these will lead to the improvements on the present systems that the Commission envisaged.

The impression that each dispatch leaves is distinct. The Kenya dispatch is for the most part a brilliant commentary on the Report. There is even an appendix summarizing by figures which recommendations have been "Accepted", "Accepted as an objective", "Accepted with qualification", "Rejected with qualification", "Rejected" and "Deferred". But as a whole it leaves the impression of an academic exercise, and gives very little idea of what the broad programme for Kenya is to be. By contrast the Uganda dispatch outlines the extensive programme of social and economic advancement that has been further stimulated by a study of the Report. There is a clear exposition here of what is actually being done. The Tanganyika dispatch provides a third variation, for though it approximates more closely to the Uganda approach, it is imbued with a modesty commensurate with the territory's vast area and much greater paucity of resources. Between them the three dispatches indicate that, for all the talk, there would be very little advantage in economic planning on an East African basis, and probably much insensitivity.

### The Political Scene

THE past six months have brought their ration of heartening events to set beside the less happy events that are apt to steal the headlines. First and foremost the Mau Mau rebellion has been so reduced that it has been possible to withdraw a substantial number of the British troops that were previously so fully occupied with the testing task of sweeping through the forest lairs of the terrorists. There are probably something between 1,000 and 2,000 terrorists still at large. They include Dedan Kimathi and Stanley Mathenge, the two foremost Mau Mau leaders, and the tracking down of the hard core may still prove to be a protracted task. It is being accomplished, however, by special parties, led by Europeans but made up very largely of former terrorists who are adept at the forest skills that alone save the remaining terrorists from capture. It is no small tribute to the success of these teams that they have suffered no casualties, and no treachery, for their impressive list of successes. Some day they will inspire an epic.

In Zanzibar a happy outcome to the two-year dispute between the British administration and the Arab Association has been secured. It was obvious that the Government would have to move forward from their very limited constitutional proposals of 1954. With the assistance of Mr. W. F. Coutts (now Minister of Education, Labour and Lands in Kenya) they have agreed to adopt a common roll system of elections for half the representative seats on Legislative Council, despite the hesitation of some of the present members. It was obvious too that once the principle of a common roll had been conceded a skilful mediator could quickly resolve the issues that were still outstanding between the administration and the Arab leaders. This rôle was admirably filled by Sir Eboo Pirbhay, Kenya's Ismaili leader, with a welcome minimum of fuss, and Zanzibar can now embark on a more promising

immediate future. It looks, however, as if it is becoming a rule of colonial administration in practice that crises are necessary before issues are clearly defined and torpor dispelled.

Tanganyika still appears to provide the golden exception. Real efforts are being made to clarify and meet important issues in advance. It is not merely a question of moving forward step by step towards a liberalized constitution, though this is important and in Sir Edward Twining's Legislative Council statement in April he announced the next step—the introduction of common roll elections in selected areas at the next election. What is still more impressive is the way inter-racial harmony is fostered by a decree from the top which is quietly allowed to permeate through all walks of life. The British administration in Tanganyika has immense confidence in its Governor and is more alive to the changing scene than any other administration in East Africa. Its awareness is, of course, its greatest source of strength. If anything untoward should develop in Tanganyika—and there are rather more ominous signs than usual—it will not be because the administration is impervious.

Like Zanzibar, Uganda is now thrusting forward from its major crisis. Issues having been clarified, improvement has followed, and much less slowly than many feared. In April Sir Andrew Cohen made an important announcement launching a period of constitutional investigation covering the next five years, at the end of which direct elections on a common roll will probably be introduced throughout the country. The first reaction of the Uganda National Congress smacked of last year's proceedings in rejecting out of hand anything short of "self-government now". But wiser heads prevailed, and the most striking result has been the way in which, with some relatively minor qualifications, Sir Andrew's statement has been accepted in most parts of the country. In Buganda itself there is still plenty of political activity, but it has taken on an altogether new character. It is no longer a question of the Protectorate Government *versus* the Baganda. This is nowhere more clearly revealed than in the growing ease with which the shrewder Protectorate government officials are successfully implementing important reforms. Politics are now, indeed, internal to the Baganda. There was a real danger, it seemed, that neo-traditionalism had received such a boost with the return of the Kabaka that there would be no stopping it. The outcome is not yet determined; but what is clear is that the settlement of the Kabaka affair has at last left room for reforming tendencies within Buganda to make their own way forward. This was sharply revealed in a recent incident when there was widespread protest at a proposal by the Kabaka's Government to distribute some available land to people approved of by the present Ministers, beginning with themselves. It is also emphasized in the steep decline in the popularity of the Kabaka's present Government within nine months of their election on a wave of enthusiasm. At the same time elections of heads of local governments in the rest of the Protectorate have shown a remarkable propensity to throw up able and educated leaders.

This is not to say that there are not difficulties ahead. The present equilibrium in Buganda could be all too easily upset, and the Uganda National Congress, which has begun to marshal support on a much wider scale than

before, is a little nonplussed by the absence of any serious issue, and would certainly exploit any new one. Difficulties may well arise in the Toro and Busoga districts, neither of which has yet agreed with the Protectorate Government on their new Constitutional regulations under last year's District Councils Ordinance, and both of which are renewing their long-standing demands to be placed on an equality with the much larger Buganda.

In Tanganyika the launching of the United Tanganyika Party, with Mr. Ivor Bayldon from the Southern Highlands as its much admired leader, marks the first genuine attempt at the creation of a multi-racial party in East Africa. But the lack of purpose and the erring vision of its somewhat different contemporary in Kenya, the United Country Party, led by the Minister of Agriculture, Mr. Blundell, has queered the United Tanganyika Party's pitch with a good many Africans. There is little indication that they are as yet, at all events, attracting much African support away from the Tanganyika African National Union; and there is even some doubt whether Mr. Julius Nyerere, the President of the Union, will be able to hold his own against the Union's more extreme elements. What will be the effects of the Union's first taste of responsibility—which will probably be in the Dar-es-Salaam Municipality—remains to be seen.

The position in Kenya is more serious. It still looks like the land of two nations. On the one hand the divisions among the European politicians seem endless. In so far as they have begun to coalesce at all they divide between opponents of multi-racialism in the Federal Independence Party, supporters of "non-racialism" in the so-called Independent Group or Majority Group of non-party members of the existing legislature and the seemingly half-hearted adherents of the United Country Party. In September the Europeans will go to the polls. Their attempt to come to some agreement with the other races over agreed reforms in the Lyttelton Constitution have failed, and it looks as if there will be little change in the splintered European representation in Legislative Council. Coupled with the revelations of the Nairobi City Council Inquiry, the concept of European leadership has not in the past six months added lustre to its reputation.

At the same time there are serious happenings in the Kikuyu villages. There has been much furore in Britain over the rate of release of Mau Mau detainees, and over the charges of Mrs. Castle, M.P., and Miss Fletcher, and the Church leaders in Kenya have wisely suggested that a further parliamentary delegation should visit the Colony. But the real issue is what is happening to former Mau Mau detainees *after* they are released. The effort on the part of the administration in the camps is apparently not all being matched by similar efforts in the villages, because partly through anxiety about any resurgence of violence, and partly through force of habit, and overwork, District Officers still seem too much preoccupied with the problem of security, to the evident detriment in too many cases of the need for continued rehabilitation. The result is already emerging. Bitterness prevails. There are not many Kikuyu, it would seem, who are likely to revert to violence, but there can be no question now of their having abandoned their political aims, which will now be pursued vigorously, though constitutionally.



African leaders in Kenya today are being drawn from the prosperous Nyanza Province on the shores of Lake Victoria. Some of them suffer from Chatham's crime of being young men. But they are able and forceful and next year may well see them in the Legislative Council. It certainly seems that in the coming series of elections in Kenya the more right-wing the Europeans vote, the more left-wing the Africans will vote.

### Policy and the Future

WHAT is most significant in East Africa today is the emergence of two possible sets of experiments. On the one hand there are some genuine attempts to translate multi-racial ideals into practice, in the van of which stands the Capricorn Africa Society which, very roughly, stands for equal rights for all civilized men, on the lines Rhodes first enunciated. They abhor *apartheid* as much as "black nationalism", as they call it, and they make a virtue of the "earned" vote. They have attracted support from the liberal wing among the Europeans in Kenya in particular, and from moderates in the other two races there too. Their principles are much in line with those of the United Tanganyika Party. The Society does indeed point a way forward for the multi-racial community of both Kenya and Tanganyika. Whether it will provide the last word in either place remains to be seen, and this is one of the great experiments. They have still to procure majority support even amongst the Europeans; and it seems that they stand for a programme of making Africans and Asians more and more European.

The other experiment is being conducted in both Zanzibar and Uganda. In the former the dominant Arab community last year took the plunge in seeking a common roll for all who would bear allegiance to the Sultan—the great majority. The leaders of the Arabs (who at most number 17 per cent of the total population) made the deliberate choice of abandoning communal representation in the hope of being accepted by the great majority of the population—mostly Muslim Africans—as part of themselves. They hope thereby to avoid strife at a later date. Similarly in Uganda the Asian Muslims have announced that, if communal representation is likely to stand in the way of smooth constitutional progress for the African majority, they will not hesitate to give it up. They have not been forced into this position. On the contrary, the Protectorate Government with the full support of the Colonial Secretary has held out for fair "Asian" representation against African protests, and in the appointment of Mr. Maini as Minister of Corporations and Regional Communications last year has been as good as its word. The Muslim decision has been taken with a deliberate and unequivocating eye to the future, probably, if the truth were known, by one of the shrewdest of men, H.H. the Aga Khan. It is certainly a decision whose spirit the accredited leaders of European opinion in Uganda have been, for their part, quietly operating for some months past. There is nothing desperate about it; even the Labour Party has given assurances about maintaining the rights of minorities. It is, indeed, an experiment no less tinged with idealism than the policy of the Capricorn Society, and some think with more realism.

East Africa,

August 1956.



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